



\* IN THE HIGH COURT OF DELHI AT NEW DELHI

+ ITA 102/2008

COMMISSIONER OF INCOME TAX ..... Appellant  
Through Ms. P.L.Bansal, Adv.  
versus

CALCUTTA TEST HOUSE P.LTD. .... Respondent  
Through

CORAM:  
HON'BLE MR. JUSTICE MADAN B. LOKUR  
HON'BLE MR. JUSTICE V.B. GUPTA

ORDER  
27.02.2008

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The Revenue is aggrieved by an order dated 14<sup>th</sup> June, 2007 passed by the Income Tax Appellate Tribunal, Delhi Bench 'G' in ITA No.4368/Del/2006 relevant for the Assessment Year 1998-99.

Apart from the fact that the tax effect in this case is Rs.1,44,000/- which is well below the limit prescribed by the Central Board of Direct Taxes in Instruction No.2/2005 dated 24<sup>th</sup> October, 2005 for filing an appeal under Section 260A of the Income Tax Act, we find that no substantial question of law arises.



(2)

The Assessing Officer, before initiating penalty proceedings is required to record his satisfaction that penalty ought to be imposed upon the Assessee. It is mentioned in the assessment order dated 9<sup>th</sup> February, 2001 that penalty proceedings under Section 271(1)(c) of the Income Tax Act, 1961 have been initiated separately.

Section 271(1)(c) of the Act consists of two parts namely concealment of particulars of income and furnishing inaccurate particulars. No satisfaction has been recorded by the Assessing Officer whether there is concealment of particulars or furnishing of inaccurate particulars. From a reading of the Assessment Order, it is not clear as to which ingredient of Section 271(1)(c) of the Act has been attracted in the present case. Even the Assessee is not aware of what provision of law he has contravened so as to enable him to set up a defence. No substantial question of law arises.

The appeal is dismissed with costs of Rs. 10,000/- which will be deposited by the Revenue by a cheque drawn in favour of the Registrar General of this Court within three weeks from today. Costs are being imposed for the reasons recorded by us in ITA No.



1149/2007 (*Commissioner of Income Tax v. Vikram International P.Ltd.*) decided today. These reasons may be read as a part of this order.

List for compliance on 28<sup>th</sup> March, 2008.

  
MADAN B. LOKUR, J

  
V.B. GŪPTA, J

FEBRUARY 27, 2008  
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*Costs denied*