

Analysis

Balka Services: Held “This penalty was upheld by CIT (Appeals) however, the ITAT in further appeal carried by the assessee has quashed the penalty proceedings. It is not in dispute that while passing the assessment order no satisfaction was recorded as to whether there was submitting of inaccurate particulars and concealment of assessee in this appeal even on merits. We are of the opinion that ITAT rightly pointed out that all the relevant facts and figures pertaining to its claim on account of brought forward losses of the merging company were specifically given by the assessee in its computation of income filed along with return of income and therefore, there was no concealment of particulars. It is a different matter that on the basis of those particulars furnishing the assessee authority came to the conclusion that the assessee was not entitled to the benefit of the provisions of Section 72(A) of the Income Tax Act and therefore, the benefit was not given accorded to the assessee. However, that in itself would not entitle imposition of penalty under Section 271(1)(C) of the Act as there was neither any concealment of particulars of income by the assessee or furnishing inaccurate particulars of such income.”