

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'SMC-1', NEW DELHI**

**Before Sh. N. K. Saini, Accountant Member**

**ITA No. 5741/Del/2015 : Asstt. Year : 2003-04**

Ujala Sales Pvt. Ltd., C-127, Preet Vihar, Delhi-110092	Vs	Income Tax Officer, Ward-27(2), New Delhi
<b>(APPELLANT)</b>		<b>(RESPONDENT)</b>
<b>PAN No. AABCH0499J</b>		

**Assessee by : Smt. Sugandha Anand, Adv.**

**Revenue by : Sh. V. R. Sonbhadra, Sr. DR**

<b>Date of Hearing : 24.05.2016</b>	<b>Date of Pronouncement : 24.05.2016</b>
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**ORDER**

This is an appeal by the assessee against the order dated 24.08.2015 of Id. CIT(A)-XXII, New Delhi.

2. The only grievance of the assessee in this appeal relates to the confirmation of penalty levied by the AO u/s 271(1)(c) of the Income Tax Act, 1961 (hereinafter referred to as the Act).

3. During the course of hearing the Id. Counsel for the assessee at the very outset stated that the addition of Rs.5,00,000/- on the basis of which impugned penalty was levied by the AO and sustained by the Id. CIT(A) has been set aside by the ITAT Delhi Bench -Hø, New Delhi in assessee's appeal for the assessment year 2003-04 in ITA No.

4701/Del/2011 vide order dated 18.04.2016 (copy of the said order was furnished). The aforesaid contention of the Id. Counsel for the assessee was not controverted.

4. After considering the submissions of both the parties and carefully perusing the material available on the record, it is noticed that the addition of Rs.5,00,000/- which is the basis for levying the impugned penalty by the AO has been set aside by ITAT in ITA No. 4701/Del/2011 for the assessment year 2003-04 vide order dated 18.04.2016. Since the penalty u/s 271(1)(c) of the Act is directly connected with the quantum addition which has already been set aside to the file of the AO. I, therefore, deem it appropriate to set aside this issue also back to the file of the AO to be adjudicated afresh in accordance with law after considering the outcome of the quantum addition.

5. In the result, the appeal of the assessee is allowed for statistical purposes.

(Order Pronounced in the Court on 24/05/2016)

Sd/-

**(N. K. Saini)**

**ACCOUNTANT MEMBER**

**Dated: 24/05/2016**

\*Subodh\*

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

**ASSISTANT REGISTRAR**