

IN THE INCOME TAX APPELLATE TRIBUNAL  
(DELHI BENCH 'G' : NEW DELHI)  
BEFORE SHRI H.S. SIDHU, JUDICIAL MEMBER  
AND  
SHRI B.R.R. KUMAR, ACCOUNTANT MEMBER

ITA NO. 1772/DEL/2015  
(A.Y. 2007-08)

ACIT, CIRCLE 22(1), NEW DELHI	VS.	M/S SANDHU CONTRACTORS PVT. LTD. C-153A, Moti Nagar, New Delhi - 15 (PAN: AAACS2782A)
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Revenue By	Ms. Ashima Neb, Sr. DR.
Assessee By	Sh. A.N. Khurana, CA

**ORDER**

**PER H.S. SIDHU, JM**

Revenue has filed this appeal against the impugned order dated 14.1.2015 passed by Ld. CIT(A)-8, New Delhi on the following grounds:-

1. The Ld. CIT(A) has erred in law and on facts in deleting the penalty imposed by the AO u/s. 271(1)(c) of the Income Tax Act, 1961 on the ground that since the quantum assessment is quashed and additions deleted penalty cannot be confirmed.

2. Since the Department has separately filed appeal against quashing of assessment order, appeal against penalty order is preferred.
3. The appellant craves to amend, modify, alter, add or forego any ground(s) of appeal at any time before or during the hearing of this appeal.

2. Facts narrated by the revenue authorities are not disputed by both the parties, hence, the same are not repeated here for the sake of convenience.

3. At the time of hearing, Ld. DR relied upon the order of the AO and reiterated the contents mentioned in the grounds of appeal.

4. On the contrary, Ld. Counsel for the assessee submitted that Ld. CIT(A) has deleted the penalty in dispute because the quantum assessment was quashed and also the addition in dispute were deleted by the Ld. CIT(A), hence, Ld. CIT(A) has rightly deleted the penalty. Further he submitted that the Tribunal in ITA No. 1771/Del/2015 AY 2007-08 vide order dated 12.6.2019 has dismissed the Revenue's appeal in quantum assessment, hence, the penalty in dispute does not stand in the eyes of law and needs to be deleted by upholding the order of the Ld. CIT(A) and accordingly, the Revenue's appeal may be dismissed.

5. We have heard both the parties and perused the records especially the impugned order as well as the Tribunal's order dated 12.6.2019 in Revenue's appeal. We find that Ld. CIT(A) has deleted the penalty in

dispute because the quantum assessment was quashed and also the addition in dispute were deleted by the Ld. CIT(A). We further note that the Tribunal in assessee's own case in Department's Appeal No. 1771/Del/2015 AY 2007-08 vide order dated 12.6.2019 has dismissed the Revenue's appeal in quantum proceedings, hence, the penalty in dispute in the present case, does not stand in the eyes of law, therefore, we uphold the order of the Ld. CIT(A) and reject the grounds raised by the Revenue.

6. In the result, the Appeal of the Revenue is dismissed.

Order pronounced on this 09<sup>th</sup> day of July, 2019.

**Sd/-**

**(B.R.R. KUMAR)**  
**ACCOUNTANT MEMBER**

Dated the 09<sup>th</sup> day of July, 2019  
SRB

Copy forwarded to:-

1. Appellant
2. Respondent
3. CIT
4. CIT(A), New Delhi.
5. CIT(ITAT), New Delhi

**Sd/-**

**(H.S. SIDHU)**  
**JUDICIAL MEMBER**

AR, ITAT

