

**IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCHES "A" : HYDERABAD
(THROUGH VIDEO CONFERENCE)**

**BEFORE SMT. P. MADHAVI DEVI, JUDICIAL MEMBER
AND
SHRI A. MOHAN ALANKAMONY, ACCOUNTANT MEMBER**

ITA No.	A.Y.	Appellant	Respondent
1989/Hyd/17	2011-12	M/s.Expotential Technologies (Software and Hardware) Pvt. Ltd., HYDERABAD [PAN: AABCE7729C]	ITO, Ward-17(2), HYDERABAD
1990/Hyd/17	2012-13		

For Assessee : Shri P. Murali Mohana Rao, AR
For Revenue : Shri Nilanjan Dey, DR

Date of Hearing : 20-08-2020
Date of Pronouncement : 21-08-2020

ORDER

PER Smt. P. MADHAVI DEVI, J.M. :

Both are assessee's appeals for the AYs.2011-12 & 2012-13 respectively, directed against the separate orders of the Commissioner of Income Tax (Appeals)-5, Hyderabad dated 22-07-2016 for both the assessment years. The CIT(A) had confirmed the penalty levied u/s.271(1)(c) of the Income Tax Act [Act] and the assessee is in appeal against the orders of the CIT(A).

2. Both these appeals are taken up for hearing on 20-08-2020 through video conferencing and both the parties were heard.

3. Ld.Counsel for the assessee submitted that the quantum appeals had come up for adjudication before the Tribunal in ITA Nos.303 & 304/Hyd/2016, AYs.2011-12 & 2012-13 and this Tribunal vide order dt.20-06-2018, had remanded the issue to the file of AO for *Denovo* verification of the annual reports and consideration of the issue in accordance with law. A copy of the said order is filed before us. Therefore, he submitted that consequently, the penalty orders may also be set aside to the file of AO.

4. Ld.DR had no objection to the said contention of the assessee.

5. Having regard to the rival contentions and material on record and also particularly the fact that the assessee's appeals against quantum additions have been set aside to the file of AO for *Denovo* consideration, we deem it fit and proper to set aside the penalty orders also to the file of AO and direct the AO to re-initiate the penalty proceedings, if necessary, after the completion of assessment proceedings pursuant to the order of the Tribunal, dt.20-06-2018.

6. In the result, both the appeals of assessee are treated as allowed for statistical purposes.

Order pronounced in the open court on 21st August, 2020

Sd/-
(**A. MOHAN ALANKAMONY**)
ACCOUNTANT MEMBER

Sd/-
(**P. MADHAVI DEVI**)
JUDICIAL MEMBER

Hyderabad, Dated: 21-08-2020

TNMM

Copy to :

- 1. M/s.Exponential Technologies (Software and Hardware) Pvt. Ltd., C/o. P. Murali & Co., Chartered Accountants, 6-3-655/2/3, 1st Floor, Somajiguda, Hyderabad.*
- 2. The Income Tax Officer, Ward-17(2), Hyderabad.*
- 3. CIT(Appeals)-5, Hyderabad.*
- 4. The Pr.CIT, Hyderabad.*
- 5. D.R. ITAT, Hyderabad.*
- 6. Guard File.*