

**IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCHES "B": HYDERABAD
(THROUGH VIRTUAL CONFERENCE)**

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER**

ITA No. 165/H/2021 Assessment Year: 2017-18		
Rithwik Projects Private Limited, Hyderabad [PAN: AABCR5748L]	Vs	Asst. Commissioner of Income Tax, TDS Circle-2(1), Hyderabad
(Appellant)		(Respondent)
Assessee by:		Shri P. Murali Mohan Rao
Revenue by:		Shri Rohit Mujumdar
Date of hearing:		01/09/2021
Date of pronouncement:		06/09/2021

ORDER

PER L.P. SAHU, A.M.:

This appeal filed by the Assessee is directed against CIT(A) - 12, Hyderabad's order dated 15/02/2021 for AY 2017-18 involving proceedings u/s 221(1) of the Income-Tax Act, 1961; in short "the Act".

2. The assessee has raised 10 grounds of appeal, the sum and substance of which is imposing penalty u/s 221(1) of the Act of Rs. 11,209/-.

3. Before us, the Id. AR of the assessee submitted that the issue in dispute is squarely covered by the decision of the coordinate bench of this Tribunal in assessee's own case for earlier AYs vide ITA Nos. 1330 to 1335/Hyd/2018, order dated 11/01/2021, wherein the coordinate bench has held as under:

2. The assessee's sole substantive grievance raised in all these six appeals seeks to reverse both the lower authorities' action imposing u/s.221(1) penalty (i.e.,) Rs.8501/-, Rs.1,13,277/-, Rs.12,88,947/-, Rs.10,06,998/-, Rs.7,39,032/- and Rs.4,06,599/-; assessment year wise, respectively.

3. Learned counsel's sole argument during the course of hearing is that the impugned penalties are based on 'TRACES' processing and the corresponding demands no longer survive as per assessee's reconciliation filed on record dt.31-12-2020. The Revenue's case on the other hand is that the instant issue to this effect requires Assessing Officer's factual verification. We deem it appropriate in these peculiar facts to restore the assessee's identical sole substantive grievance back to the Assessing Officer for his afresh factual verification as per law within three effective opportunities of hearing.

4. These assessee's appeals are treated as allowed for statistical purposes in above terms."

4. The Id. DR, on the other hand neither controverted the submission of the assessee nor brought any contrary decision in this regard.

5. Since the issue in dispute is materially identical to that of the decision of the coordinate bench in assessee's own case for earlier AYs (supra), respectfully following the same, we remit the issue back to the file of the AO with a direction to decide the issue in line with the order of the coordinate bench cited supra. Accordingly, the grounds raised by the assessee on this issue are allowed for statistical purposes.

6. In the result, appeal of the assessee is treated as allowed for statistical purposes in above terms.

Pronounced in the open court on 6th September, 2021.

**Sd/-
(S.S. GODARA)
JUDICIAL MEMBER**

**Sd/-
(L. P. SAHU)
ACCOUNTANT MEMBER**

Hyderabad, Dated: 6th September, 2021.

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Copy to :

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3	<i>CIT(A) - 12, Hyderabad.</i>
4	<i>CIT(TDS), Hyderabad.</i>
5	<i>ITAT, DR, Hyderabad.</i>
6	<i>Guard File.</i>

S.No.	Details	Date
1	Draft dictated on	
2	Draft placed before author	
3	Draft proposed & placed before the Second Member	
4	Draft discussed/approved by Second Member	
5	Approved Draft comes to the Sr. PS/PS	
6	Kept for pronouncement	
7	File sent to Bench Clerk	
8	Date on which the file goes to Head Clerk	
9	Date on which file goes to A.R.	
10	Date of Dispatch of order	