

IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCH-A, HYDERABAD
(Through Virtual Hearing)

BEFORE SHRI A. MOHAN ALANKAMONY, ACCOUNTANT MEMBER
AND
SHRI S.S. GODARA, JUDICIAL MEMBER

ITA NO.13/Hyd/2017		
A.Y:2005-06		
Assistant Commissioner of Income Tax, Circle-1, Kadapa.	Vs.	Shri A.C. Chenna Reddy, Dhanawada, Mylavaram (M), Kadapa District. PAN: ACDPA 3902 G
(Appellant)		(Respondent)
Assessee by:	Shri Raj Kumar Jaju	
Revenue by:	Smt. B. Kavitha Rani, DR	
Date of hearing:	29/09/2021	
Date of pronouncement:	07/10/2021	

ORDER

PER A. MOHAN ALANKAMONY, AM:

This appeal is filed by the Revenue against the order of the Ld. CIT (A)-11, Pune in appeal No. Pn/CIT(A)-11/ACIT Cen. Cir 2, Thane/508/2014-15, dated 20/10/2016 passed U/s. 143(3) r.w.s 254 and U/s. 250(6) of the Act for the AY 2005-06.

2. The revenue has raised four grounds in its appeal and they are extracted herein below for reference:

- “(i) The Ld. CIT (A) erred on facts and in law of the case.*
- “(ii) The Ld. CIT (A) erred in deleting the disallowance of Rs. 1,35,76,742/- made by invoking the provisions of*

section 40(a)(ia) without appreciating the payments are admittedly made to sub-contractors.

- (iii) The Ld. CIT (A) erred in deleting the disallowance of Rs. 3,12,13,815/- made by invoking the provisions of section 40(a)(ia) without appreciating that the payments are admittedly made to sub-contractors.*
- (iv) Any other ground that may be urged at the time of hearing.”*

3. At the outset, the Ld. AR submitted before us that the assessment of the partnership firm/s of the assessee which is treated as the benami firm/s of the assessee is pending before the Ld. AO and the decision rendered in those/those case/s will have a bearing while deciding the case of the assessee. Therefore, the Ld. AR pleaded that the appeal of the Revenue in the case of the assessee may be remitted back to the file of the Ld. AO in order to pass appropriate order considering the outcome of the decision rendered in the benami partnership firm/s of the assessee. Ld. DR conceded to the request of the Ld. AR.

4. After hearing both the parties, we are of the view that the contention of the Ld. AR has some merit. Therefore, in the interest of justice, we here by remit back the matter to the file of the Ld. AO in order to pass appropriate order considering the outcome of the decision rendered in the Benami/partnership firm/s of the assessee.

5. In the result, appeal of the Revenue is allowed for statistical purposes as indicated herein above.

Order pronounced in the open court on the 07th October, 2021.

Sd/-

(S.S. GODARA)

JUDICIAL MEMBER

Sd/-

(A. MOHAN ALANKAMONY)

ACCOUNTANT MEMBER

Hyderabad dated 07th October, 2021.

OKK

Copy to:

- 1 Assistant Commissioner of Income Tax, Circle-1, Aayakar Bhavan, D.No.2-430-8, Nagarajupet, Kadapa-516001.
- 2 Sri A.C. Chenna Reddy, Dhanawada Village, Mylavaram (Mandal), Kadapa District.
- 3 The Commissioner of Income Tax (Appeals)-11, Pune.
- 4 The Principal Commissioner of Income Tax (Central)-Pune.
- 5 The CIT-DR, ITAT, Hyderabad
- 6 Guard File

By Order