

**IN THE INCOME TAX APPELLATE TRIBUNAL  
Hyderabad ' A ' Bench, Hyderabad**

**Before Shri S.S. Godara, Judicial Member  
AND  
Shri Laxmi Prasad Sahu, Accountant Member**

ITA Nos.366 to 368/Hyd/2021		
Assessment Years : 2016-17 to 2018-19		
GRR Holdings Private Limited, Hyderabad. PAN : AAGCG1930N.	Vs.	The Deputy Commissioner of Income Tax, Central Circle -3(3), Hyderabad.
(Appellant)		(Respondent)
ITA Nos.369 to 373/Hyd/2021		
Assessment Years : 2014-15 to 2018-19		
M/s. GRR Holdings, Hyderabad. PAN : AAQFG0867M.	Vs.	The Deputy Commissioner of Income Tax, Central Circle -3(3), Hyderabad.
(Appellant)		(Respondent)
Assessee by:	Shri P. Murali Mohan Rao.	
Revenue by:	Shri T. Sunil Goutam.	
Date of hearing:	06.04.2022	
Date of pronouncement:	07.04.2022	

**ORDER**

**Per S. S. Godara, J.M.**

These twin assessees' eight appeals for A.Ys. 2014-15 to 2018-19 arise against the Commissioner of Income Tax, (Appeals) – 11, Hyderabad's separate orders, all dated 31.08.2021 passed in

case Nos.10307/2015-16, 11406/2016-17, 10527/2017-18, 10262/2013-14, 10282/2014-15, 10308/2015-16, 11407/2016-17, and 10528/2017-18, respectively, affirming the Assessing Officer's action imposing penalty of Rs.20,000/- each; involving proceedings u/s 271(1)(b) and 272A(1)(d) of the Income Tax Act 1961 [in short, 'the Act'].

Heard both the parties. Case file(s) perused.

2. We notice at the outset that these twin assessee's instant eight appeals raise an identical issue of correctness of both the learned lower authorities' action imposing section 271(1)(b) penalty of Rs.20,000/- each in issue thereby alleging non-cooperation to section(s) 142(1) and 143(2) notices dt.29.10.2018 dt.24.01.2019; respectively, as per the relevant facts in "lead" appeal ITA No.366/Hyd/2021.

3. Both the learned representatives reiterated their respective stands against and in support of the impugned penalty (ies). Mr. Goutam vehemently contended that the assessee's non-cooperation to the Assessing Officer's foregoing twin notices compelled him to frame section 144 "best judgments" / assessments which sufficiently prove that there is hardly any reasonable cause for not imposing the impugned penal action. We find no merit in the Revenue's foregoing stand. This is for the reason that the issues herein pertain to a search action dt.20.09.2017 wherein the Assessing Officer was already in possession of the corresponding

material which ultimately led to the addition(s) made in the relevant assessments framed in these assessment years. We make it clear that apart from this clinching aspect, there is no finding in the Assessing Officer's penalty orders that there had been any specific failure on assessee's part to bring on record the necessary evidence in support of their claims, if any. Faced with this situation, we hold that the impugned penalties imposed in these eight appeals are not sustainable in law. The same stand deleted.

4. Same order to follow in the remaining appeals i.e. ITA Nos.367 to 373/Hyd/2021.

5. These twin assessee's eight appeals are allowed in above terms. A copy of this common order be placed in their respective case files.

Order pronounced in the Open Court on 07<sup>th</sup> April, 2022.

<b>Sd/-</b> <b>(LAXMI PRASAD SAHU)</b> <b>ACCOUNTANT MEMBER</b>	<b>Sd/-</b> <b>(S.S. GODARA)</b> <b>JUDICIAL MEMBER</b>
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Hyderabad, dated 07<sup>th</sup> April, 2022.

**TYNM/sps**

Copy to:

S.No	Addresses
1	GRR Holdings Private Limited, C/o. P. Murali & Co., Chartered Accountants, 6-3-655/2/3, Somajiguda, Hyderabad – 500082.
2	M/s. GRR Holdings, C/o. P. Murali & Co., Chartered Accountants, 6-3-655/2/3, Somajiguda, Hyderabad – 500082.
3	The DCIT, Central Circle – 3(3), Hyderabad.
4	The CIT(Appeals) – 11, Hyderabad.
5	The Pr. CIT(Central), Hyderabad.
6	DR, ITAT Hyderabad Benches
7	Guard File

*By Order*