

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

**BEFORE SHRI S.S.GODARA, JUDICIAL MEMBER
AND
SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER**

ITA No.	A.Y.	Appellant	Respondent
993/Hyd/18	2013-14	Uttarashada Bio Tech Private Limited, (Now merged with Hill County Properties Ltd) Hyderabad [PAN: AAECM2732Q]	Asst.Commissioner of Income Tax, Central Circle-3(2), Hyderabad
994/Hyd/18	2013-14	Vamsadhara Agro Farms Private Limited, (Now merged with Hill County Properties Ltd) Hyderabad [PAN: AAECM2732Q]	Asst.Commissioner of Income Tax, Central Circle-3(2), Hyderabad
995/Hyd/18	2013-14	Sindhu Greenlands Private Limited, (Now merged with Hill County Properties Ltd), Hyderabad [PAN: AAECM2732Q]	Asst.Commissioner of Income Tax, Central Circle-3(2), Hyderabad
996/Hyd/18	2013-14	Konar Greenlands Private Limited, (Now merged with Hill County Properties Ltd) Hyderabad [PAN: AAECM2732Q]	Asst.Commissioner of Income Tax, Central Circle-3(2), Hyderabad
997/Hyd/18	2013-14	Medravathi Agro Farms Private Limited, (Now merged with Hill County Properties Ltd) Hyderabad [PAN: AAECM2732Q]	Asst.Commissioner of Income Tax, Central Circle-3(2), Hyderabad
998/Hyd/18	2013-14	Goman Agro Farms Private Limited, (Now merged with Hill County Properties Ltd) Hyderabad [PAN: AAECM2732Q]	Asst.Commissioner of Income Tax, Central Circle-3(2), Hyderabad
999/Hyd/18	2013-14	Himagiri Bio Tech Private Limited, (Now merged with Hill County Properties Ltd), Hyderabad [PAN: AAECM2732Q]	Asst.Commissioner of Income Tax, Central Circle-3(2), Hyderabad

1000/Hyd/18	2013-14	Himagiri Green Fields Private Limited, (Now merged with Hill County Properties Ltd) Hyderabad, [PAN: AAECM2732Q]	Asst. Commissioner of Income Tax, Central Circle-3(2), Hyderabad
1001/Hyd/18	2013-14	Nagavali Greenlands Private Limited, (Now merged with Hill County Properties Ltd), Hyderabad [PAN: AAECM2732Q]	Asst. Commissioner of Income Tax, Central Circle-3(2), Hyderabad

For Assessee : Shri S.Rama Rao, AR
For Revenue : Shri Sunil Kumar Pandey, DR

Date of Hearing : 21-01-2021
Date of Pronouncement : 08-02-2021

ORDER

PER BENCH :

These assessee's appeals for AY.2013-14 arise from the CIT(A)-11, Hyderabad's order all dated 31-01-2018 involving proceedings u/s.143(3) of the Income Tax Act, 1961 [in short, 'the Act'].

Heard both the parties. Case files perused.

2. It transpires during the course of hearing that all these assessee's; now stand merged with M/s.Hill County Properties Limited, have raised an identical solitary substantive grievance challenging lower authorities' action treating loss on account of write off representing advances made for purchase of lands to the tune of Rs.33,34,977/-, Rs.1.25 crores, Rs.2 crores, Rs.1 crore, Rs.70 lakhs, Rs.2.40 crores, Rs.1.50 crores, 2.50 crores and Rs.1,89,80,000/-; appeal-wise respectively, under the head 'business' than capital loss(es) claimed at their

behest. It is not in dispute that all these assesseees are corporate entities stated to be engaged in sale of land and allied activities only.

3. Coming to the above sole issue of impugned write-off, the first assessee's appeal ITA No.993/Hyd/2018 raised the following substantive grounds:

"1. The order of the learned Commissioner of Income-tax (Appeals) is erroneous to the extent it is prejudicial to the appellant.

2. The order of the learned Commissioner of Income-tax (Appeals) erred in confirming the action of the Assessing Officer in disallowing the loss on account of write off of Rs.33,34,977/- representing the advances for purchase of lands.

3. The order of the learned Commissioner of Income-tax (Appeals) ought to have considered the detailed explanation submitted and ought to have allowed the amount of Rs.33,34,977/- as the business loss of the appellant.

4. Any other ground or grounds that may be urged at the time of hearing".

4. We notice during the course of hearing that both the learned lower authorities have treated the assesseees as mere investor(s) then engaged in adventure in real estate business. Their claim of business loss throughout has been that the corresponding agreement(s) of joint development had converted the land in issue as stock-in-trade and therefore, the advances write off herein are nothing but liable to be treated as business loss(es) only. Faced with this peculiar position, we deem it appropriate to restore the foregoing sole issue in all these appeals back to the Assessing Officer(s) for his afresh appropriate adjudication as per law keeping in mind the assesseees' Memorandum of Association/ object clauses, book

treatment given to the corresponding parcels of land right from the date of acquisition to joint development and write off along with all business activities carried out in the intervening period respectively. It shall be very much open for the assesseees to raise all factual and legal arguments before the Assessing Officer in consequential proceedings within three effective opportunities.

5. All these assesseees' appeals are treated as allowed for statistical purposes in foregoing terms. A copy of this common order be placed in the respective case files.

Order pronounced in the open court on 8th February, 2021

Sd/-
(LAXMI PRASAD SAHU)
ACCOUNTANT MEMBER

Hyderabad,
Dated: 08-02-2021

TNMM

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

Copy to :

1. *Uttarashada Bio Tech Private Limited (Now merged with Hill County Properties Limited), Hill County, Bachupally, Hyderabad.*
2. *Vamsadhara Agro Farms Private Limited (Now merged with Hill County Properties Limited), Hill County, Bachupally, Hyderabad.*
3. *Sindhu Greenlands Private Limited (Now merged with Hill County Properties Limited), Hill County, Bachupally, Hyderabad.*
4. *Konar Greenlands Private Limited (Now merged with Hill County Properties Limited), Hill County, Bachupally, Hyderabad.*
5. *Medravathi Agro Farms Private Limited (Now merged with Hill County Properties Limited), Hill County, Bachupally, Hyderabad.*
6. *Goman Agro Farms Private Limited (Now merged with Hill County Properties Limited), Hill County, Bachupally, Hyderabad.*
7. *Himagiri Bio Tech Private Limited (Now merged with Hill County Properties Limited), Hill County, Bachupally, Hyderabad.*
8. *Himagiri Green Fields Private Limited (Now merged with Hill County Properties Limited), Hill County, Bachupally, Hyderabad.*
9. *Nagavali Greenlands Private Limited (Now merged with Hill County Properties Limited), Hill County, Bachupally, Hyderabad.*
10. *The Asst. Commissioner of Income Tax, Central Circle-3(2), Hyderabad.*
11. *CIT(Appeals)-11, Hyderabad.*
12. *Pr.CIT(Central), Hyderabad.*
13. *D.R. ITAT, Hyderabad.*
14. *Guard File.*