

IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad SMC Bench, Hyderabad
(Through Video Conferencing)
Before Smt. P. Madhavi Devi, Judicial Member

ITA No.1116/Hyd/2019		
Assessment Year: 2010-11		
Sri P.R.K.Eeswara Varma Hyderabad PAN:APDPP7918N (Appellant)	Vs.	Income Tax Officer Ward 15(4) Hyderabad (Respondent)
Assessee by:	Sri Samuel Nagadesi	
Revenue by:	Sri Sandeep Mehta, DR	
Date of hearing:	28/04/2021	
Date of pronouncement:	05/05/2021	

ORDER

This is assessee's appeal for the A.Y 2010-11 against the order of the CIT (A)-7, Hyderabad, dated 4.6.2019.

2. Brief facts of the case are that the assessee is an individual, running a firm incorporated during the year 2010-11 alongwith his wife Smt. P. Tarakeswari. It came to the knowledge of the Assessing Officer that during the financial year 2009-10, the assessee has made cash deposits of more than Rs.10.00 lakhs into his Bank A/cs. On verification of record, it revealed that the assessee has not filed his return of income for the A.Y 2010-11. Therefore, the Assessing Officer reopened the assessment u/s 147 by issuance of a notice u/s 148 of the Act dated 10.04.2016. The assessee explained the sources for the cash deposits and that the deposits were out of past savings and gifts received from his mother and his mother-in-law and also sale of agricultural land by his wife. The assessee furnished copies of confirmation letters

from his mother and mother-in-law wherein they confirmed that out of their agricultural income, they have gifted the amount of Rs.1,50,000/-each to the assessee. It was further explained that the land sold by his wife was for a consideration of Rs.1,23,500/- vide document No.595/2009 and that the cash balance brought forward from financial year was Rs.11,78,500/-. The Assessing Officer however, accepted the sources to the extent of 50% only and the balance has been brought to tax. Aggrieved, the assessee preferred an appeal before the CIT (A), but the CIT (A) also confirmed the order of the Assessing Officer and the assessee is in second appeal before the Tribunal by raising the following grounds of appeal:

“1. On the facts and in the circumstances of the case, the order of the learned CIT (A) is erroneous in law and facts of the case.

2. On the facts and in the circumstances of the case, the order of the learned Commissioner ought not to have confirmed the assessment of addition under “disallowance of loss” as such no loss is there to be disallowed.

3. On the facts and in the circumstances of the case, the order of the learned CIT (A) ought to have asked for a remand of re-computation after allowing deductions under Chapter VIA.

4. On the facts and in the circumstances of the case, the order of the learned CIT (A) ought to have appreciated the difference in assessment as firm or individual.

5. The appellant crave leave to add to, alter, modify, delete, amend, substitute all or any of the above grounds”.

3. The learned Counsel for the assessee Shri Samuel Nagadesi, reiterated the submissions made before the authorities below and submitted that the assessee has not been able to produce the relevant details before the Assessing Officer and the CIT (A) and pleaded for another opportunity before the Assessing Officer so that the assessee can explain the sources for the cash deposits.

4. The learned DR was also heard.
5. Having regard to the rival contentions and the material on record, in the interest of justice, I deem it fit and proper to remand the issue to the file of the Assessing Officer for denovo consideration in accordance with law. Needless to mention that the assessee shall be given a fair opportunity of hearing.
6. In the result, assessee's appeal is treated as allowed for statistical purposes.

Order pronounced in the Open Court on 5th May, 2021.

Sd/-

**(P. MADHAVI DEVI)
JUDICIAL MEMBER**

Hyderabad, dated 5th May, 2021.

Vinodan/sps

Copy to:

S.No	Addresses
1	Sri PRK Eeswara Varma, Flat No.102, Gold Green Apartments, Irram Manzil Colony, Punjagutta, Hyderabad
2	Income Tax Officer Ward 15(4) 5 th Floor, IT Towers, D Block AC Gaurds, Masab Tank, Hyderabad 500028
3	CIT (A)- 7, Hyderabad
4	Pr. CIT -7, Hyderabad
5	DR, ITAT Hyderabad Benches
6	Guard File

By Order