

**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.	Block Period / A.Y.	Appellant	Respondent
377/Hyd/16	1990-91 to 1999-2000	P. Ranga Reddy (HUF) Hyderabad	Assistant Commissioner of Income Tax, Circle-8(1), Hyderabad
378/Hyd/16	1999-2000	[PAN: AAFHP4874G]	
379/Hyd/16	1999-2000	P.Dharma Reddy (HUF) Hyderabad	
380/Hyd/16	1990-91 to 1999-2000	[PAN: AAFHP4869P]	
381/Hyd/16	1990-91 to 1999-2000	P.Srinivasa Reddy (HUF) Hyderabad	
382/Hyd/16	1999-2000	[PAN: AAFHP4871D]	
383/Hyd/16	1999-2000	P.Janardhan Reddy (HUF) Hyderabad	
384/Hyd/16	1990-91 to 1999-2000	[PAN: AAFHP4868N]	
385/Hyd/16	1990-91 to 1999-2000	P.Ravinder Reddy (HUF) Hyderabad	
		[PAN: AAFHP4870C]	
388/Hyd/16	1990-91 to 1999-2000	P.Sudhakar Reddy (HUF) Hyderabad	
		[PAN: AAFHP4873B]	
389/Hyd/16	1999-2000	P.Narsimha Reddy (HUF) Hyderabad	
390/Hyd/16	1990-91 to 1999-2000	[PAN: AAFHP4872A]	
391/Hyd/16	1999-2000	P.Sudhakar Reddy (HUF) Hyderabad	
		[PAN: AAFHP4873B]	

For Assessee : Shri S.Rama Rao,  
For Revenue : Shri A.Venkata Rao, DR

Date of Hearing : 17-08-2021  
Date of Pronouncement : 27-08-2021

**ORDER**

**PER S.S.GODARA, J.M. :**

The instant batch of thirteen appeals for the Block Period 1990-91 to 1999-2000 and AY.1999-2000 pertains to seven assessees, S/Shri P.Ranga Reddy, Shri P.Dharma Reddy, Shri P.Srinivasa Reddy, Shrip P.Janardhan Reddy, Shri Ravinder Reddy, P.Sudhakar Reddy and Shri P.Narsimha Reddy. These thirteen appeals arise from the CIT(A)-2, Hyderabad's separate orders; all dt.30-11-2015 in ITA Nos.0378, 0379, 0385, 0384, 0376, 0373, 0388, 0377, 0387, 0386, 0380, 0381 & 0383/2010-11, involving proceedings u/s.143(3) r.w.s.254 of the Income Tax Act, 1961 [in short, 'the Act']; respectively.

Heard all the assessees represented by Shri S.Rama Rao, Advocate and the department through learned departmental representative Shri A.Venkata Rao. Case files perused.

2. It transpires at the outset that all these assessees' instant appeals suffer from identical 28 days delay stated to be attributable to the reason(s) beyond their control as per condonation petition(s)/affidavit(s).

No rebuttal to all these solemn averments have come from the departmental side. The impugned delay is condoned therefore.

3. Learned authorised representative submitted at the outset that all the instant entire batch of thirteen cases raises identical substantive grounds on law as well as facts. And

that the only difference is that seven of the appeals herein ITA Nos.377, 380, 381, 384, 385, 388 and 390/Hyd/2016 involved block assessment years followed by Section 148/147 re-assessment proceedings (supra). Learned counsel therefore urged before us that we ought to treat the assessee/Shri P.Ranga Reddy (HUF)'s, ITA No.377/Hyd/2016 as the "lead" case raising the following substantive grounds:

*"1.The order of the learned Commissioner of Income-Tax (Appeals) is erroneous both on facts and in law.*

*2.The learned Commissioner of Income-Tax (Appeals) erred in holding that the assessment made u/s 158BD is valid inspite of the fact that there is no undisclosed income assessable. The learned Commissioner of Income-Tax (Appeals) ought to have considered the fact that notice under the said section was not issued before completion of assessment of the searched person and, therefore.. the notice is invalid.*

*3.The learned Commissioner of Income-Tax (Appeals) erred in not deciding the grounds raised before him at S.No.2 , 3, 4, 6, 7 & 8, of the grounds of appeal, particularly when the Hon'ble ITAT set aside the matter to the file of the Assessing officer to reconsider the whole issue afresh and decide the same in accordance with law.*

*4.The learned Commissioner of Income-Tax (Appeals) erred in confirming the, action of the Assessing officer in treating the agricultural lands sold by the appellant represent capital asset within the meaning of Sec.2(14) of the I.T. Act.*

*5.The learned Commissioner of Income-Tax (Appeals) erred in confirming the action of the Assessing Officer in holding that the capital gain is taxable when there is no cost of acquisition of the lands to the appellant as the asset transferred is an Inam land.*

*6.The learned Commissioner of Income-Tax (Appeals) erred in confirming the action of the Assessing Officer in not allowing deduction u/s. 54F of the I.T.Act".*

*7.The learned Commissioner of Income-Tax (Appeals) erred in confirming levy of interest u/s.158BFA(2)".*

4. We note during the course of hearing that this is the second round of proceedings between the parties before us. Learned co-ordinate bench's former round's order in IT(SS)A

No.43/Hyd/2007 and twelve other cases dt.31-03-2009 had already upheld the validity of initiation of Section 158BD proceedings since these assessees/vendors are other than the searched person Dr.Shafeeudin Ahmed dt.24-01-2001. There is further no indication in Section 158BD supported by the assessee's detailed evidence that the Assessing Officer's corresponding satisfaction 158BD notice dt.21-05-2004 suffers from any illegality or irregularity; as the case may be. We thus go by learned co-ordinate bench's earlier reasoning; which has attained finality, to decline the assessee's instant first and foremost argument in tune with his pleadings in second substantive ground.

5. Learned authorised representative's next argument is that the departmental authorities herein have erred in law and on facts in treating the assessee's "Inam Land" as capital asset(s) u/s.2(14) of the Act. Mr.Rama Rao invited our attention to the first round elaborate remand directions (supra) that the Assessing Officer had to determine status of the assessee's lands. We find no merit in the instant second argument as well it was the assessee's bounden duty to file on record all the corresponding detailed land records *qua* mode of acquisition of the impugned lands by way of "Inam" from the erstwhile sovereign. His failure to this effect only appears to have led the learned Assessing Officer to conduct further enquiries from the revenue department wherein no sufficient light could be thrown on the issue of status of these land(s) sold. We make it clear that there is no dispute about the impugned land(s) to be situated within the prescribed limit from the municipal area prescribed in Section 2(14) of the Act.

We thus see no substance in the assessee's instant endeavour to shift the onus of proving mode of acquisition to the department. This second argument raised at assessee's behest also stands declined therefore.

6. Learned counsel's third argument raises the issue of cost of acquisition of the assessee's capital asset(s) as on 01-04-1981 claimed to be @Rs.45,000/- per acre and accepted to the tune of Rs.4,800/- in the course of assessment and upheld in the CIT(A)'s order. It is an admitted fact that the assessee had failed to file the corresponding supportive evidence indicating fair market value of the capital asset(s) to the tune of Rs.45,000/- per acre as on 01-04-1981. The fact also remains that the learned lower authorities have not considered the clinching market trend involving much lesser stamp price of such properties situated in and around municipal limits. We therefore deem it appropriate to apply thumb rule and direct the learned Assessing Officer to accept the assessee's cost of acquisition @ Rs.10,000/- per acre as on 01-04-1981 to be followed by his necessary computation to this effect as per law. Ordered accordingly.

7. Next comes the last issue of payment(s) Rs.7,90,000/- (collectively made) claimed as the cost of improvement in title u/s.48(ii) of the Act. Learned counsel invited our attention to the corresponding payment receipts in pages 58-59 in paper book. He next took us to the assessee's compromise deed dt.17-02-1999 that the impugned payments had been made to the alleged co-claimants/family members regarding title of the land. Learned counsel fails to dispute that the said compromise deed in pages 60 to 64 followed by the final decree

in pages 65-67 nowhere imposed such an obligation on the assessee(s) to pay such a compromise amount to their family member(s); as the case may be. We thus decline the assessee's instant last argument as well.

No other ground or argument has been pressed before us.

This first and foremost assessee's "lead" appeal ITA No.377/Hyd/2016 is partly allowed in foregoing terms. Necessary computation shall follow as per law.

8. Same order to follow in the remaining twelve appeals as well since neither any distinction on facts of law nor any other argument has been pressed before us.

9. To sum-up, these seven assessee's thirteen appeals ITA Nos.377, 378, 379, 380, 381, 382, 383, 384, 385, 388, 389, 390 & 391/Hyd/2016 are partly allowed in foregoing terms. A copy of this common order be placed in the respective case files.

*Order pronounced in the open court on 27<sup>th</sup> August, 2021*

Sd/-  
**(LAXMI PRASAD SAHU)**  
**ACCOUNTANT MEMBER**

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

Hyderabad,  
Dated: 27-08-2021

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8.The Asst.Commissioner of Income Tax, Circle-8(1),  
Hyderabad.

9.CIT(Appeals)-2, Hyderabad.

10.Pr.CIT-2, Hyderabad.

11.D.R. ITAT, Hyderabad.

12.Guard File.