

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

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

	ITA No. 443/Hyd/2019		
	A.Y. 2012-13		
Timmasamudram Venkat Reddy, Tirupati. PAN: AMHPT 9086 A	VS.	Income Tax Officer, Ward-1(1), Tirupati.	
(Appellant)		(Respondent)	
Assessee by	Sri K.A. Sai Prasad		
Revenue by	Sri B. Sunil Kumar, DR		
Date of hearing:	26/10/2021		
Date of pronouncement:	29/11/2021		

ORDER

PER A. MOHAN ALANKAMONY, A.M:

This appeal is filed by the assessee against the order of the Ld. CIT(A), Tirupati in appeal no. 0078/2015-16/CIT(A)/TPT, dated 26/02/2019 passed U/s. 143(3) r.w.s 250(6) of the Act for the A.Y. 2012-13.

2. The assessee has raised the following grounds in his appeal and they are extracted herein below for reference:

- “1. The order of the Ld. CIT(A) is not justified both on facts and in law.

2. *The Ld. CIT(A) in the facts and circumstances of the case, is not justified in confirming the addition of Rs. 26,50,000/- (out of Rs. 50,50,000) as unexplained investment.*
3. *The Ld. CIT(A) in the facts and circumstances of the case, is not justified in not entertaining the claim of the appellant that the property purchased was out of the funds of HUF, on the ground that the appellant did not bring on record evidence during the course of assessment proceedings.*
4. *The Ld. CIT(A) in the facts and circumstances of the case, is not justified in confirming the addition of Rs. 51,53,825/- representing investment in purchase of property (referred as property No.2 by the Assessing Officer).*
5. *The Ld. CIT(A) in the facts and circumstances of the case is not justified in confirming the addition of Rs. 2,88,000/- alleging to be cash deposits in the undisclosed bank account.*
6. *The Ld. CIT(A) in the facts and circumstances of the case, is not justified in confirming the addition of Rs. 1,15,630/- (alleged to represent Rs. 77,940/- difference in the figure of balance admitted in the balance sheet and the balance in bank account and Rs. 37,690/- alleged to represent the closing balance in the undisclosed bank account.*
7. *The Ld. CIT(A) in the facts and circumstances of the case, is not justified in confirming the addition of Rs. 7,51,605/- representing the expenditure under the head repairs and maintenance.*
8. *The Ld. CIT(A) in the facts and circumstances of the case, is not justified in confirming the disallowance of deduction of Rs. 80,000/- u/s. 50C.*
9. *The appellant craves leave to add, amend, delete or substitute any ground or grounds during the course of hearing.*

3. At the outset, Learned Counsel for the assessee submitted before us that the addition made by the Ld.A.O which was further sustained by the Ld.CIT(A) towards unexplained investment in respect of immovable property purchased actually belongs to the HUF and not to the assessee for which the HUF had genuine source. To substantiate the same, the assessee has filed the balance sheet and return of income of the HUF. It was therefore pleaded that the matter may be remitted

back to the file of the Ld. A.O. for de-novo consideration. Learned AR further submitted that since the other issues in the appeal may also be remitted back to the file of the Ld. A.O. thereby providing one more opportunity to the assessee to substantiate his stand. The Learned DR on the other hand vehemently opposed to the submissions of the Ld. AR and pleaded for confirming the orders of the Ld. Revenue Authorities.

4. We have heard the rival submissions and carefully perused the materials on record. From the additional evidence produced before the Bench, it appears that the property in question belongs to the HUF of the assessee. Since the assessee has produced the additional evidence for the first time, we are of the view that the matter may be remitted back to the file of the Ld. A.O. for de-novo consideration. Since the assessee has requested that the other issues in the appeal may also be remitted back to the file of the Ld. A.O. in order to substantiate his claim, in the interest of justice, we hereby remit the entire matter back to the file of the Ld. A.O. for de-novo consideration. However, We also hereby caution the assessee to promptly co-operate before the Ld. Revenue Authorities in the proceedings failing which the Ld. Revenue Authorities shall be at liberty to pass appropriate orders in accordance with law and merits based on the materials on the record. It is ordered accordingly.

5. In the result, the assessee's appeal is allowed for statistical purposes as indicated herein above.

Pronounced in the open Court on 29th November, 2021.

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

Sd/-
(A. MOHAN ALANKAMONY)
ACCOUNTANT MEMBER

Hyderabad, Dated: 29th November, 2021.

OKK

Copy to:-

- 1) Timmasamudrum Venkat Reddy, C/o. Ch. Harthasarathy & Co., 1-1-298/2/B/3, 1st Floor, Ashok Nagar, Hyderabad.
- 2) Income Tax Officer, Ward-1(1), K.T. Road, Tirupati-517501.
- 3) The CIT(A)-Tirupati.
- 4) The Principal Commissioner of Income Tax, Tirupati.
- 5) The DR, ITAT, Hyderabad
- 6) Guard File