

IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCH "A", HYDERABAD

BEFORE SHRI A.D. JAIN, VICE PRESIDENT
AND
SHRI A. MOHAN ALANKAMONY, ACCOUNTANT MEMBER

	ITA No.1614/Hyd/2019		
	AY: 2014-15		
M/s. Sandadi Media Private Limited, Secunderabad. PAN: AAICS 7525 D	VS.	The Income Tax Officer, Ward-3(1), Hyderabad.	
(Appellant)		(Respondent)	
Assessee by	Shri Y. Ratnakar & Sri B. Satyanarayhana Murthy		
Revenue by	Sri Rajendra Kumar, CIT-DR		
Date of hearing:	23/02/2022		
Date of pronouncement:	25/02/2022		

ORDER

PER A. MOHAN ALANKAMONY, A.M:

This appeal is filed by the assessee against the order of the Ld. CIT(A)-9, Hyderabad in appeal No. 10311/CIT(A)-9/Hyd/2018-19, dated 18th September 2019 passed U/s. 143(3) r.w.s 250(6) of the Act for the AY 2-014-15.

2. The assessee has raised seven grounds in its appeal and they are extracted herein below for reference:

- "1. The order of the Ld. CIT (A) in so far as it is against the appellant is contrary to the facts of the case and the provisions of law.*

2. *The Ld. CIT is not justified in sustaining an addition of Rs. 7,07,94,932/- U/s. 68 of the Income Tax Act.*
3. *The Ld. CIT should have seen that the amounts of credits of Rs. 7,07,94,932/- are adequately explained with reference to the names of the creditors, their PAN Nos Income Tax particulars and other particulars. Therefore, the Commissioner of Income Tax should have seen that the credits are properly explained.*
4. *The Ld. CIT should have appreciated that the creditors in question are all income tax assesses and the amounts in question are all reflected in their books of accounts. The Ld. CIT should not have sustained the addition even because the creditors accounts in the books of the appellant company and the appellant company's accounts in their books are furnished to the Assessing Officer as well as the CIT (A).*
5. *The Ld. CIT should have seen that the credits are either transfers from other accounts or the credits are on account of purchase on credit of shares in VIL Media Private Limited by the appellant company from those creditors.*
6. *The Ld. CIT should have appreciated that the credits are properly explained and therefore no addition should have been made / sustained U/s. 68 of Income Tax Act.*
7. *Without prejudice to the foregoing submissions, it is prayed that the Ld. CIT should not have sustained addition U/s. 68 of more than the actual increase of Rs. 5,17,44,566/- in the overall credits during the year under consideration."*

3. Brief facts of the case are that the assessee is engaged in the business of Media and Television has filed its return of income for the AY 2014-15 on 26/01/2015 admitting a total income of Rs. NIL. The case was selected for scrutiny through CASS and subsequently notices U/s. 143(2) and 142(1) of the Act were served on the assessee. Thereafter, the Ld. AO considered the submissions of the assessee and completed the assessment U/s. 143(3) of the Act wherein an addition of Rs. 25,69,47,260/- was made U/s. 68 of the Act as unexplained loans and advances. Aggrieved, assessee filed an appeal before the Ld.

CIT(A) granted part relief to the assessee to the extent of Rs. 18,61,52,328/- and sustained the addition to the extent of Rs. 7,07,94,932/-. Aggrieved with the decision of the Ld. CIT (A), the assessee is in appeal before the Tribunal.

4. At the outset, the Ld. AR submitted that in respect of the credits / loans and advances in dispute the assessee has properly explained to the Ld. Revenue Authorities with reference to the entries passed in the books of accounts of the assessee as well as the creditors. The Ld. AR further submitted that the assessee has also furnished documentary evidence and the confirmations from the creditors before the Ld. Revenue Authorities. However, the Ld. Revenue Authorities have not properly appreciated the explanations of the assessee. Therefore, the Ld. AR prayed that the matter may be remitted back to the file of the Ld. AO for de-novo consideration thereby providing one more opportunity to the assessee of being heard. The Ld. DR on the other hand, vehemently argued in support of the orders of the Ld. Revenue Authorities.

5. We have heard the rival submissions and carefully perused the materials on record. On perusal of the facts and circumstances of the case as well as the orders of the Ld. Revenue Authorities and also the quantum and nature of addition made in the hands of the assessee, we are of the considered opinion that the matter requires to be

revisited by the Ld. AO afresh. Accordingly, we remit the matter back to the file of the Ld. AO for de-novo consideration and decide the issue afresh in accordance with law and merits. Needless to mention that the assessee should be provided with a reasonable opportunity of being heard.

6. In the result, appeal of the assessee is allowed for statistical purposes as indicated herein above.

Pronounced in the open Court on 25th February, 2022.

Sd/-
(A.D. JAIN)
VICE PRESIDENT

Sd/-
(A. MOHAN ALANKAMONY)
ACCOUNTANT MEMBER

Hyderabad, Dated: 25th February, 2022.

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Copy to:-

- 1) M/s. Sandadi Media Private Limited, C/o. Venugopal & Chenoy, Chartered Accountants, Tilak Road, Hyderabad – 500 001.
- 2) Income Tax Officer, Ward-3(1), Hyderabad.
- 3) The CIT(A)-9, Hyderabad.
- 4) The Principal Commissioner of Income Tax-3, Hyderabad.
- 5) The DR, ITAT, Hyderabad
- 6) Guard File