

आयकर अपीलीय अधिकरण, हैदराबाद पीठ में
IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCHES "B", HYDERABAD

BEFORE
SHRI RAMA KANTA PANDA, ACCOUNTANT MEMBER
&
SHRI K.NARASIMHA CHARY, JUDICIAL MEMBER

आ.अपी.सं / ITA No.	निर्धारण वर्ष / A.Y.	अपीलार्थी / Appellant	प्रत्यर्थी / Respondent
48/Hyd/2023	2015-16	Asst. Commissioner of Income Tax, Central Circle-1(2), Hyderabad	Sri Laxma Reddy Korpolu, Hyderabad [PAN : AEUPK2478N]
53/Hyd/2023	2015-16	Deputy Commissioner of Income Tax, Central Circle-1(1), Hyderabad	Vijay Bhaskar Reddy Korupolu, Hyderabad [PAN : AGKPK7677B]
54/Hyd/2023	2015-16		Jaideep Reddy Nalamada, Secunderabad [PAN No. ACIPN4329B]
55/Hyd/2023	2015-16		Jaiveer Reddy Nalamada, Hyderabad [PAN No. AAUPN7364E]

निर्धारिती द्वारा/Assessee by: Shri K.C.Devdas, AR

राजस्व द्वारा/Revenue by: Shri Jeevan Lal Lavidiya, CIT-DR

सुनवाई की तारीख/Date of hearing: 20/02/2023

घोषणा की तारीख/Pronouncement on: 28/02/2023

आदेश / ORDER

PER K. NARASIMHA CHARY, JM:

Aggrieved by the order(s) passed by the learned Commissioner of
Income Tax (Appeals)-11, Hyderabad ("Ld. CIT(A)"), in the cases of Laxma

Reddy Korpolu, Vijay Bhaskar Reddy Korupolu, Jaideep Reddy Nalamada and Jaiveer Reddy Nalamada (“the assessee”) for the assessment year 2015-16, Revenue preferred these appeals. Facts involved in all these appeals are similar and mostly the grounds of appeal. We, therefore, deem it just and convenient to dispose of these appeals by way of this common order.

2. There was a search and seizure operation in the group cases of M/s. Ashoka Developers and Builders Ltd., and M/s. Cybercity Builders and Developers P. Ltd., on 18/02/2016. Assessment under section 143(3) read with section 153A of the Income Tax Act, 1961 (‘the Act’), was made accepting the return of income filed by the assessee. Subsequently, the PCIT on a perusal of records found that the learned Assessing Officer missed certain income on account of purchase of shares for a consideration less than the aggregate Fair Market Value as on the date of valuation and, therefore, the assessment order was erroneous and prejudicial to the interest of Revenue. He, accordingly by order dated 27/12/2019, revised the assessment order under section 263 of the Act directing the learned Assessing Officer to re-work the assessment taking into account the provisions of section 56(2)(vii)(c)(ii) of the Act. Assessee preferred appeals before the Tribunal challenging the orders passed under section 263 of the Act.

3. Pursuant to the orders under section 263 of the Act, Learned Assessing Officer thereafter passed the assessment orders dated 25/06/2019 under section 143(3) read with section 153A and section 263 of the Act, against which the assessee preferred appeals before the learned CIT(A). In the meanwhile, the Tribunal allowed the plea of the assessee and quashed the orders under section 263 of the Act, by way of order dated 30/08/2022 in ITA Nos. 619 to 623/Hyd/2019.

4. Assessee brought this fact to the notice of the learned CIT(A) in the appeals preferred against the assessment orders dated 25/06/2019 under

section 143(3) read with section 153A and section 263 of the Act. Learned CIT(A) took cognizance of said fact and observed that on the Tribunal setting aside the orders of the PCIT under section 263 of the Act, all the orders consequent to the section 263 orders have become infructuous and, on that premise, he allowed the appeals of the assessee and quashed the orders under section 143(3) read with section 153A and section 263 of the Act. Revenue challenges such an action of the learned CIT(A) in these appeals.

5. It is an admitted fact that the section 263 orders giving rise to an occasion for passing the assessment order under section 143(3) read with section 153A and section 263 of the Act were quashed and as rightly observed by the learned CIT(A) in the impugned orders, the consequent assessment orders ceased to exist and no steps can be taken basing on that order. We, therefore, do not find any illegality or irregularity in the findings of the learned CIT(A) and accordingly decline to interfere with his findings. Appeals are devoid of merits and consequently dismissed.

6. In the result, all the appeals are dismissed.

Order pronounced in the open court on this the 28th day of February, 2023.

Sd/-
(RAMA KANTA PANDA)
ACCOUNTANT MEMBER

Sd/-
(K. NARASIMHA CHARY)
JUDICIAL MEMBER

Hyderabad,
Dated: 28/02/2023

TNMM

Copy forwarded to:

1. Deputy Commissioner of Income Tax, Central Circle-1(1), Hyderabad.
2. Asst. Commissioner of Income Tax, Central Circle-1(2), Hyderabad.
3. Sri Laxma Reddy Korpolu, 8-2-684/3/37 and 38, Banjara Green Colony Road No. 12, Banjara Hills, Hyderabad.
4. Sri Vijay Bhaskar Reddy Korupolu, H.No. 8-2-283/82/NG/41, Nandagiri Hills, Road No. 65, Jubilee Hills, Hyderabad.
5. Sri Jaideep Reddy Nalamada, Plot No. 20, Tulasi Gardens, Yapral, Secunderabad.
6. Jaiveer Reddy Nalamada, H.No. 8-2-293/82/A, Plot No. 340, Road No. 10, Jubilee Hills, Hyderabad.
7. Pr.CIT(Central)-Hyderabad.
8. DR, ITAT, Hyderabad.
9. GUARD FILE

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ASSISTANT REGISTRAR
ITAT, HYDERABAD