

**IN THE INCOME TAX APPELLATE TRIBUNAL  
Hyderabad 'A' Bench, Hyderabad**

**Before Shri Rama Kanta Panda, Accountant Member  
AND  
Shri Laliet Kumar, Judicial Member**

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| ITA.Nos.406 to 411/Hyd/2022  |     |  |
| Assessment Years: 2013-14 to 2018-19   |     |  |
| Smt.Sridevi Madala<br>Represented by GPA Holder<br>Sri Madala Bhaskar Rao<br>Flat No.115, Tulips B1<br>L&T Serene Country<br>Telecom Nagar<br>Gachibowli<br>Hyderabad-500 032<br><br>PAN : AISPM5569Q<br><br>(Appellant) | Vs. | ACIT, Central Circle-1(4)<br>Aaykar Bhawan<br>Basheerbagh<br>Hyderabad-500 004<br><br><br><br><br><br><br><br><br><br>(Respondent) |
| Assessee by:   |     | Shri A.V Raghuram, Advocate  |
| Revenue by:  |     | Shri Rajendra Kumar, CIT-DR  |
| Date of hearing:   |     | 11.01.2023   |
| Date of pronouncement:   |     | 11.01.2023   |

**ORDER**

**PER BENCH :**

These six appeals are filed by the assessee, feeling aggrieved by the order passed by the Learned Commissioner of Income Tax (Appeals)-11, Hyderabad, dated 26.07.2022 for the AY's 2013-14 to 2018-19 respectively, on the following grounds :  
(lead file ITA No.406/Hyd/2022).

*1. On the facts and in the circumstances of the case, the order of Id. CIT(A) is erroneous and unsustainable in law apart from being passed in violation of principles of natural justice. The Id. CIT (A) failed to appreciate that in response to notice dated 04.04.2022 request for additional time was filed, and other notices issued on 19.04.2022,01.06.2022 and 29.06.2022 were not served on the Appellant and therefore could not put forth her case.*

*2. The Id. CIT (A) erred in sustaining the assessment order passed under section 153C rws 144 of the Act which is passed without satisfying the requirements of provisions of section 153C of the Act and without referring to seized material. The findings of the Id. CIT (A) that AO can make assessment dehors seized material or without recording proper satisfaction is incorrect and cannot be sustained.*

*3. The Id. CIT(A) erred in sustaining the action of the AO in treating the 'income from agriculture' as 'income from other sources', failing to appreciate that Appellant owned agricultural lands and agricultural activity was conducted on the said lands.*

*(Tax effect - 46,350/-)*

*For these and other grounds that may be urged, it is prayed that the appeal may be allowed.*

2. The brief facts of the case are that assessee is an individual filed her original return of income u/s. 139(1) of the I.T.Act 1961 for AY 2013-14 on 24.07.2013, declaring a total income of Rs.4,38,320/-. A search & seizure operation u/s. 132 of the Act was conducted on 04.01.2018 in the case of Shri Chennamaneni Vamsheedhar, Executive Director of M/s. Kaveri Seed Company Limited, Hyderabad. During the course of search, certain documents were found and seized in the residential premises of Shri Chennamaneni Vamsheedhar, vide Annexure-A/CV/RES/01. As the information contained in the seized document relates to the assessee, requisite information along with copies of seized documents, was forwarded to the office of the

DCIT Central Circle-1(4), Hyderabad. This office assumed jurisdiction over the assessee vide centralization order u/s. 127 of the I.T.act in F.No.ITBA/COM/F/17/2020-21/1030592642(1) dated 12.02.2021 passed by the Pr.CIT-2, Hyderabad. After recording a satisfaction note as per the amended provisions of section 153C of the Act, a notice u/s.153C was issued to the assessee on 30.11.2021 through ITBA portal. As there was no compliance to the said notice, further notice u/s 142(1) dated 03.12.2021 was issued to the assessee through ITBA portal affording another opportunity to file the return of income in response to the notice u/s 153C and also to furnish certain information in connection with pending assessment proceedings. However, no reply to the said notice or any information was filed. Nevertheless, a final opportunity was again given to the assessee vide show cause notice dated 10.12.2021. In spite of giving adequate opportunities, the assessee has neither filed return of income nor submitted any information as called for. Based on the facts and circumstances and the information available on record, the Assessing Officer had made the additions in the hands of the assessee.

3. Feeling aggrieved by the order of Assessing Officer, assessee preferred appeals before the ld.CIT(A). The ld.CIT(A) had issued the notice of hearing to the assessee. However, the assessee had failed to appear and participate the proceedings before the ld.CIT(A). The detail of the dates starting from 19.01.2022 to 06.07.2022 are mentioned in Para 6.1 of the order passed by the ld.CIT(A). As the assessee was not appearing before the ld.CIT(A) and has not cooperated in the disposal of the appeal, the ld.CIT(A) was left with no other option but to decide based on the documents available on record. By doing so, the ld.CIT(A) has confirmed the additions made by the Assessing Officer.

4. Feeling aggrieved by order of ld.CIT(A), the assessee is now in appeal before us for the grounds mentioned hereinabove.

5. At the outset, it was the contention of the ld.AR that the assessee is an old lady and, therefore, is not able to respond in the short time provided by the ld.CIT(A). It was further contention of the ld.AR that in the present case, the addition made by the Assessing Officer under Section 153C r.w.s. 143(3) of the Act. It was submitted that the presence of incriminating documents pertaining to the said assessment year is essential, however, in most of the cases, there is no incriminating document found during the course of the search pertaining to the said assessment year. Therefore, it was the submission of the ld.AR that the appeals of the assessee are required to be allowed.

6. Per contra, the ld.DR had submitted that the assessee has not proved her case before the ld.CIT(A) whether the additions were made on the basis of incriminating material or not is a question of fact and can only be decided by the Assessing Officer / ld.CIT(A) after verifying the assessment folder and search record.

7. We have heard the rival contentions of the parties and perused the material available on record. In the present case, as mentioned in Para 6.1 of the order of ld.CIT(A), despite the grant of 12 opportunities, the assessee failed to participate in the hearing and the case was adjourned for one reason or the other on account of non-cooperation of the assessee. As the assessee being a senior citizen and house-wife, therefore, we deem it appropriate to grant one more opportunity to the assessee to

prove her case before the Id.CIT(A) and hence, we remand back the matter to the file of Id.CIT(A) with the following directions :

- i. The Id.CIT(A) shall decide the appeals denovo after providing the sufficient opportunity of hearing to the assessee.
- ii. The assessee is also directed to participate in each and every hearing after receipt of notice and shall not take undue adjournment in the matter.
- iii. The assessee shall have liberty to file any document/evidence to prove her case before the Id.CIT(A).
- iv. In case, the assessee files any document for the first time before the Id.CIT(A), then the appellate authority shall call for remand report from the Assessing Officer.
- v. The Id.CIT(A) is directed to pass a reasoned speaking order dealing with the contention of the assessee, more particularly, whether any addition can be made u/s 153C of the Act, in the absence of any incriminating document for the assessment years under consideration.

8. In the result, the appeal of assessee in ITA No.406/Hyd/2022 is allowed for statistical purposes.

9. Now coming to the remaining appeals i.e. ITA Nos.407 to 411/Hyd/2022, which are identical to the facts and issues raised in ITA 406/Hyd/2022, our decision in ITA No.406/Hyd/2022 would apply mutatis mutandis. Accordingly, these appeals are also allowed for statistical purposes.

10. To sum up, all the appeals of assessee are allowed for statistical purposes.

Order pronounced in the Open Court on 11.01.2023.

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| <b>Sd/-</b><br><b>(RAMA KANTA PANDA)</b><br><b>ACCOUNTANT MEMBER</b> | <b>Sd/-</b><br><b>(LALIET KUMAR)</b><br><b>JUDICIAL MEMBER</b> |
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Hyderabad, dated 11<sup>th</sup> January, 2023  
**Thirumalesh/sps**

Copy to:

| S.No | Addresses   |
|------|---|
| 1    | Smt.Sridevi Madala<br>Represented by GPA Holder<br>Sri Madala Bhaskar Rao<br>Flat No.115, Tulips B1<br>L&T Serene Country<br>Telecom Nagar<br>Gachibowli<br>Hyderabad-500 032 |
| 2    | ACIT,Central Circle-1(4)<br>Aaykar Bhawan<br>Basheerbagh<br>Hyderabad-500 004   |
| 3    | CIT(A)-11, Hyderabad  |
| 4    | Pr.CIT(Central), Hyderabad  |
| 4    | DR, ITAT Hyderabad Benches  |
| 5    | Guard File  |

*By Order*