

**आयकरअपीलीयअधिकरण, विशाखापटणम "एसएमसी"पीठ, विशाखापटणम**

**IN THE INCOME TAX APPELLATE TRIBUNAL,  
VISAKHAPATNAM "SMC" BENCH, VISAKHAPATNAM**

**श्री दुव्वूरु आर एल रेड्डी, न्यायिक सदस्य के समक्ष  
BEFORE SHRI DUVVURU RL REDDY, HON'BLE JUDICIAL MEMBER**

**आयकर अपील सं./I.T.A.No.208/Viz/2023  
(निर्धारण वर्ष / Assessment Year :2018-19)**

Janga Rajasekhara Reddy  
Dr.No.54-18/1-1A  
Flat No.504, Lakshmi Residency  
Prasanthi Nagar, ITI College Road  
Vijayawada  
**[PAN : AGMPJ7948L]**

Vs. Asst.Commissioner of  
Income Tax  
Central Circle  
Vijayawada

**(अपीलार्थी/ Appellant)**

**(प्रत्यर्थी/ Respondent)**

अपीलार्थी की ओर से/ Appellant by  
प्रत्यर्थी की ओर से / Respondent by

: Shri M.V.Prasad, AR  
: Shri Madhukar Aves, DR

सुनवाई की तारीख / Date of Hearing

: 06.09.2023

घोषणा की तारीख/Date of Pronouncement

: 18.10.2023

**आदेश /O R D E R**

**Per Shri Duvvuru RL Reddy, Judicial Member :**

This appeal is filed by the assessee against the order of Commissioner of Income Tax (Appeal) [CIT(A)]-12, Hyderabad vide Appeal No.10806/2019-20 dated 30.06.2023 arising out of the assessment order passed u/s 143(3) of the Income Tax Act, 1961 (in short "Act") dated 26.12.2019 for the Assessment Year (A.Y.)2018-19.

2. Brief facts of the case are that the assessee, CEO of M/s Yugandhar Housing Private Limited, had filed his return of income on 30.08.2018 by admitting total income of Rs.11,26,240/-. A search & seizure operation

u/s 132 of the Act was conducted in the business premises of M/s Yugandhar Housing Private Limited & Group on 25.10.2017, in which the case of the assessee was also covered and cash of Rs.3,00,000/- was found and seized from the residential premises of the assessee. Thereafter, during the assessment proceedings, notices u/s 143(2) and 142(1) of the Act were issued and served on the assessee. The assessee had furnished details / information called for in the notices. During the course of assessment proceedings, the assessee was asked to provide the sources of cash of Rs.3,00,000/-. In response to which, the assessee submitted that he had received cash of Rs.2,00,000/- from his father Sri J.Veera Reddy and Rs.1,00,000/- from his wife, Smt.J.Amala, the source being their agricultural income. The assessee also furnished confirmation letters from them, but failed to furnish supporting evidences such as bank account statements, pattadar passbooks and sale pattis in support of agricultural produce to prove the sources and genuineness of the claim. Accordingly, the Assessing Officer(AO) treated the amount of Rs.3,00,000/- as unexplained money u/s 69A of the Act in the hands of the assessee and added to the total income for the year under consideration as per the provisions of section 115BBE of the Act.

3. Aggrieved by the order of the AO, the assessee preferred an appeal before the CIT(A) and the Ld.CIT(A) partly allowed the appeal of the assessee holding that the assessee's father and wife hold agricultural land to the extent of 7 acres on which agricultural crops were cultivated and further on perusal of ITR of assessee's wife, Smt.J.Amala, it was observed by the Ld.CIT(A) that she has shown agricultural income of Rs.3,36,500/- and out of her agricultural income, she sourced an amount of Rs.1,00,000/- to the assessee. Accordingly the Ld.CIT(A) considered an amount of Rs.1,00,000/- as explained and gave relief to the extent of 50% of claimed sources from agricultural income of assessee's father i.e. Rs.1,00,000/- (50% of Rs.2,00,000/-) and confirmed the remaining amount of Rs.1,00,000/- for want of sufficient evidences.

4. Aggrieved by the order of the Ld.CIT(A), the assessee preferred an appeal before the Tribunal by raising the following grounds of appeal :

1. *The learned CIT(Appeals) is erred in facts and law while passing the order.*
2. *The learned CIT(Appeals) is not justified in giving relief to the extent of 50% of claimed sources from Agricultural income of the father J.Veera Reddy, i.e. Rs.1,00,000/- and sustaining the balance addition of Rs.1,00,000/- without any reason.*
3. *The learned CIT(Appeals) is not justified in confiring the part addition without proving that such claim as not genuine with any corroborative evidences.*
4. *The learned CIT(Appeals) is also not justified in treating the balance amount of disallowance of Rs.1,00,000/- as unexplained money u/s 69A of the I.T.Act even though the source is explained and*

*accepted as agricultural income and thus addition sustained without any proper basis and only on presumption.*

*5. The appellant craves to ad to, amend or modify the above grounds of appeal either before or at the time of hearing of the appeal, if it is considered necessary.*

5. All the grounds of appeal are related to addition of Rs.1,00,000/- sustained by the Ld.CIT(A) as unexplained money u/s 69A of the Act. At the outset, the Ld.AR submitted that the source for the amount of Rs.3,00,000/- is explained and the Ld.CIT(A) is not justified in confirming the part addition of Rs.1,00,000/- without proving that such claim as not genuine with any corroborative evidences. The Ld.AR further submitted that the Ld.CIT(A) sustained the addition on mere assumptions without any basis. He, therefore, pleaded to set aside the order passed by the Ld.CIT(A) and delete the addition sustained by the Ld.CIT(A).

6. Per contra, the Ld.DR submitted that the Ld.CIT(A) has adopted fair and reasonable view and he is justified in giving relief to the extent of 50% of the claimed source from agricultural income of father of the assessee. He, therefore, pleaded to uphold the addition sustained by the Ld.CIT(A) and dismiss the appeal of the assessee.

7. I have heard both the parties and perused the material available on record. It is undisputed fact the assessee's father and wife hold agricultural land to the extent of 7 acres on which agricultural crops were

cultivated. On perusal of ITR of assessee's wife, Rs.3,36,500/- was shown as agricultural income to establish the fact that the amount of Rs.1,00,000/- was sourced to the assessee out of agricultural income of his wife. Further, on appeal before the CIT(A), the Ld.CIT(A) granted 50% of amount claimed as source from agricultural income of assessee's father i.e.Rs.1,00,000/- (50% of Rs.2,00,000/-). It is observed that the assessee could not produce any documentary evidence in support of his claim, except the confirmation letters together with pattadar pass books of his father and wife, either before the Ld.CIT(A) or before the Tribunal. In view of the foregoing circumstances, I hold that the Ld.CIT(A) is justified in granting part relief to the assessee. Hence, I do not find any infirmity in the order passed by the Ld.CIT(A) and accordingly dismiss the grounds raised by the assessee.

8. In the result, appeal of the assessee is dismissed.

Order pronounced in the open court on 18<sup>th</sup> October, 2023.

Sd/-  
(दुव्वूरु आर.एल रेड्डी)  
(DUVVURU RL REDDY)  
न्यायिक सदस्य/JUDICIAL MEMBER

Dated : 18.10.2023  
L.Rama, SPS

आदेश की प्रतिलिपि अग्रेषित/Copy of the order forwarded to:-

1. निर्धारिती/ The Assessee – Janga Rajasekhara Reddy, Dr.No.54-18/1-1A Flat No.504, Lakshmi Residency, Prasanthi Nagar, ITI College Road Vijayawada
2. राजस्व/The Revenue – The Asst.Commissioner of Income Tax, Central Circle, Staling Corporate Building, 4<sup>th</sup> Floor, “A” Block, Road No.2, Industrial Estate, Jawahar Auto Nagar, Vijayawada
3. The Commissioner of Income Tax (Exemption), Hyderabad
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, विशाखापटणम / DR,ITAT, Visakhapatnam
- 5..गार्ड फ़ाईल / Guard file

आदेशानुसार / BY ORDER

Sr. Private Secretary  
ITAT, Visakhapatnam