

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

BEFORE

**SHRI R.K. PANDA, VICE PRESIDENT
AND
SHRI LALIET KUMAR, JUDICIAL MEMBER**

आ.अपी.सं / **ITA Nos.374 to 376/Hyd/2023**
(निर्धारण वर्ष / Assessment Years: 2013-14 to 2015-16)

Income Tax Officer, Ward – 1, Chittoor.	Vs.	G. Vijayasimha Reddy, 501, Santaclara Apartments, 3 rd Cross, 18 th Main Road, Jayanagar, 4 th T Block, Bangalore - 560041. PAN : AEYPG0539E.
अपीलार्थी / Assessee		प्रत्यर्थी / Respondent

निर्धारित द्वारा/Assessee by: Shri Y V Bhanu Narayan
Rao, C.A.

राजस्व द्वारा/Revenue by: Ms. Sheetal Sarin, Sr. AR

सुनवाई की तारीख/Date of hearing: 21.12.2023

घोषणा की तारीख/Pronouncement on: 05.01.2024

ORDER

PER LALIET KUMAR, J.M.

The captioned appeals are filed by the Revenue feeling aggrieved by the separate orders of Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi dt.06.06.2023 invoking proceedings under sections 143(3) r.w.s. 147 of the Income Tax Act, 1961 (in short, "the Act"), respectively. Facts and the grounds of appeal involved in all these

appeals are identical. We, therefore, deem it just and convenient to dispose of these appeals by way of this common order, taking the appeal in ITA No.374/Hyd/2023 as a lead case.

2. The grounds raised by the Revenue in ITA No.374/Hyd/2023 reads as under :

- “1. The order of the Commissioner of Income Tax (Appeals) (NFAC) is erroneous both on the facts of the case and in law.*
- 2. The Learned CIT(A) (NFAC) erred in not appreciating the stand taken by the AO in considering the revenue receipts by the assessee as business income by treating pooling of assessee's land as his investment in the business and income received as business income as the assessee had opted for 'revenue share only' as per the agreement and received the amounts in instalments spread in four financial years.*
- 3. The Learned CIT(A) (NFAC) erred in extending the benefit of Sec. 54F of the Act to the assessee even though the assessee had not used the receipts from JDA towards investment in property.*
- 4. The Learned CIT(A) (NFAC) erred in stating that capital asset was held for a period over three years and resultant income is Capital Gains and not Business Income in hands of the appellant" whereas the land was purchased by the assessee on 19.05.2006 and the land was actually put for JDA on 21.08.2008(not on 17.03.2011) which is within three years from date of acquisition of property by the assessee.*

2.1 The additional grounds raised by the Revenue in ITA No.374/Hyd/2023 reads as under :

- “1. Learned CIT(A)(NFAC) erred in not appreciating that participation in revenue sharing model is an adventure in nature of trade falling within the definition of 'business u/s 2(13) of the I.T. Act.*
- 2. Learned CIT(A)(NFAC) erred in not appreciating that sharing of revenue is also sharing of profits and risks associated with price fluctuations.*
- 3. Learned CIT(A) (NFAC) erred in holding that just because no business income was earned by the appellant in earlier years, there can be no question of business income arising in A.Y. 2013-14.*
- 4. Learned CIT(A)(NFAC) erred in holding the capital gains as long term in nature when the flats were demarked for the assessee through agreement dated 26-06-2012, and sold during F.Y. 2012-13, 2013-14 and 2014-15, being less than 36 months of holding.”*

3. As the facts and issues in all the appeals are same, we are reproducing the facts of appeal in ITA No.374/Hyd/2023 for the sake of brevity.

4. The brief facts of the case are that assessee is an individual, who electronically filed return of income for AY 2013-14 on 06.08.2014 showing total income of Rs.6,60,520/-. Scrutiny assessment for AY 2012-13 was completed treating the amount received of Rs.88,39,609/- from M/s. Shriram Properties Ltd. as Business Income and not as Capital Gains as claimed by assessee. During this year, assessee received Rs.2,23,73,573/- from M/s. SPL. To verify the receipts, the case was re-opened and notice u/s. 148 was issued on 18.05.2016. Assessee filed return on 12.12.2017 showing total income of Rs.6,60,520/-.

4.1. During the course of assessment proceedings, it was noticed that assessee purchased agricultural land measuring 1 acre and 38 gunthas in Survey No. 343/1 at Bidaraguppe Village, Anekal Taluk, Bangalore District on 19.05.2006. The said land was converted for non-agricultural purpose vide BBMP order dated 01.02.2007 of Spl. Dy. Commissioner, Bangalore. Thereafter, assessee as a co-owner entered into a JDA with M/s. Shriram Properties Ltd ("M/s. SPL") on 21.08.2008 for construction of apartment buildings and residential villas in land measuring 21 acres and 1.5 gunthas in Badaraguppe village, Anekal Taluk, Bangalore Dist and assessee was paid a refundable deposit of Rs.50 lac by M/s. SPL. Thereafter, due to a change in plan, assessee and other co-owners entered into a JDA on 17.03.2011 with M/s. SPL wherein certain modified clauses were agreed to.

4.2. Subsequently, the assessee, other co-owners and M/s.SPL entered into an agreement dated 26.06.2012 and possession of property was handed over to M/s. SPL for the purpose of construction of residential units. Thus, the agreement dated 21.08.2008 was superseded by the agreement dated 17.03.2011. As per this agreement the assessee will receive 2.40% of Revenue from sale of residential apartments by M/s. SPL. As per the computation statement filed with ITR, the assessee has shown the sale of property at Rs.2,23,73,573/-. M/s. SPL has paid the amounts to assessee in installments as per agreement which was shown by the assessee as income from Capital Gains. Assessee received his share of Rs. 2,23,73,573/- in FY 2012-13. They had opened an Escrow account with Syndicate Bank, Sadasiva Nagar, Bangalore. Thus, the assessee got 2.40% share of total Revenue in lieu of his 1 acre 8 gunthas land as per JDA dated 17.03.2011 and the assessee has not received any flat but revenue share @ 2.40% of total revenue of Developer i.e. M/s. SPL periodically as per agreement dated 17.03.2011. Hence, the Assessing Officer held that the question of claiming exemption u/s. 54F does not arise and this transaction is an adventure in nature of trade and business only. Therefore, Assessing Officer treated the share of assessee of Rs. 2,23,73,573/- received in FY 2012-13 as Business Income and added to returned income and assessed the total income at Rs.2,23,86,600/-. Accordingly, Assessing Officer completed the assessment and passed order on 15.12.2017 u/s 143(3) r.w.s. 147 of the Act.

5. Feeling aggrieved with the orders passed by the assessing officer, assessee filed the captioned appeals before the Id.CIT(A), who allowed the appeals of assessee.

6. Aggrieved with the orders of Id.CIT(A), Revenue is now in appeal before us on the grounds mentioned hereinabove.

7. Before us, Id. DR had drawn our attention to the assessment order, wherein the Assessing Officer at page 11 has held as under :

“d) Though the assessee received his share of revenue receipts through capital gains account in the syndicate bank, the amounts with drawn from this account were not used by the assessee for construction or purchase of new property. The assessee claimed that he has only one property which was given into JDA and hence he is eligible for the exemption u/ s 54F. As per the JDA entire construction expenditure would be borne by the Developer only even for the flats coming to the share of the land owners. But the Bank statements revealed that amounts are withdrawn from the bank as per the will of the assessee and not used for investment in the property. Hence the bank account, though maintained under Capital Gains scheme it was not utilized for the purposes for which the amounts were deposited in to it.

It is clearly evident from the information produced and returns of income filed that the assessee wants to take shelter from taxation as per the provisions of Section 54F of the Income tax Act, 1961. Hence he admitted the income received from the project as capital gains and claimed exemption u/s 54F.

For all the above reasons discussed above the request of the assessee vide his letter dated 11.12 2017 received in this office on 15.12.2017 to consider the receipts from the project as capital gains is hereby rejected and the receipts from the project are treated as business income only and assessment is completed accordingly and penalty proceedings u/s 271(1)C are being initiated.”

7.1. Before us, Ld. DR submitted that the activities of the assessee are in the nature of business as the assessee had entered into the JDA. The Id. DR submitted that the assessee had in fact had entered into JDA, which was akin to partnership, as there was an element of profit sharing between the assessee and the developer. It was submitted that the Assessing Officer had captured the relevant clauses of the JDA to show that the JDA was not merely an agreement to develop the property but was an

agreement to do the business and earned the profits. It was submitted that the elements of risk and rewards are available in the JDA and therefore, the Assessing Officer was correct in treating the income arriving out of the JDA as business income instead of capital gains. The Id.DR had filed an elaborate detailed written submissions on 21.12.2023 which reads as under :

“....

C. SUBMISSIONS OF THE DEPARTMENT

I. ON HEAD OF INICOME.

1. The department submits the following synopsis of events leading to the assessment order :

<i>Sl.No.</i>	<i>Date</i>	<i>Particulars</i>
<i>1</i>	<i>19.05.2006</i>	<i>Purchase of agricultural land measuring 1 Acre and 38 Guntas in Survey No. 343/1 at Bidraguppe Village, Anekal Taluq, Bangalore District for a consideration of Rs. 16 lakhs</i>
<i>2</i>	<i>01.02.2007</i>	<i>Vide BBMP order, the said land was converted for nonagricultural purpose.</i>
<i>3</i>	<i>21.08.2008</i>	<i>Shriram Properties Pvt. Ltd. for composite development of the said parcel of land into apartment buildings and residential villas. Vide this agreement, assessee received an amount of Rs. 50 lakhs as refundable deposit.</i>
<i>4</i>	<i>17.03.2011</i>	<i>Another development agreement dated 17-03-2011, was entered into, superseding the agreement dated 21-08-2008. The new agreement dated 17-03-2011 in addition to modifying the property layout also divided the land-owners into Group-A, Group-B and Group-C. Group-A (which includes the assessee), agreed to pool in their entitlement for sharing the revenue, on sale of flats in the common pool.</i>
<i>5</i>	<i>26.06.2012</i>	<i>In pursuance to the terms agreed in development agreement dated 17-03-2011, a supplementary agreement was entered into, demarking the flats in the common pool.</i>

2. The department submits that, from the sequence of events detailed above, it is clear that the intention of the assessee was always to convert the land into flats and sell them. Assessee never intended to hold onto the flats developed, for his own enjoyment.

3. The department prays to draw attention of the Hon'ble Bench to the order of Hon'ble Supreme Court in case of *G. Venkataswami Naidu & Co. vs CIT* (Pg. 3 to Pg. 19 of the material paper book), where the Hon'ble Court held that:

"Case may, however arise where the purchase has been made solely and exclusively with the intention to re-sell at a profit and the purchaser has no intention of holding the property for himself or otherwise enjoying or using it. The presence of such an intention is no doubt a relevant factor and unless it is offset by the presence of other factors it would raise a strong presumption that the transaction is an adventure in nature of trade. Even so, the presumption is not conclusive; and it is conceivable that, on considering all the facts and circumstances in the case, the court may, despite the said initial intention, be inclined to hold that the transaction was not an adventure in nature of trade."

4. A similar view was taken by the Hon'ble Supreme Court in case of *CIT vs. Sulej Cotton Mills Supply Agency Ltd*, (Pg. 20 to Pg. 26 of the material paper book) wherein the Hon'ble Court held that:

"Where a purchase is made with the intention of resale, it depends upon the conduct of the assessee and the circumstances of the case whether the venture is on capital account or in the nature of trade."

[Emphasis supplied]

5. Following the same ratio, the Hon'ble High Court of Madhya Pradesh in the case of *CIT vs. Jawahar Development Association* (Pg. 27 to Pg. 35 of the material paper book) held

*"There may, however, be circumstances which may show that the purchase of the land was not made as an investment of capital and the sale thereof at a profit is not merely a return of capital with accretion and that the whole thing was an adventure in the nature of trade. **Cases may arise where the purchase is made solely and exclusively with the intention to resell at a profit and the purchaser has no intention of holding the property for himself or otherwise enjoying or using it. The presence of such an intention raises a strong presumption that the transaction is an adventure in the nature of trade.**"*

[Emphasis supplied]

6. The department submits that, the fact that, purchase of land by the assessee has been made solely and exclusively with the intention to resell, raises a strong presumption that the transaction is an adventure in nature of trade.

7. To bring out the surrounding facts and circumstances, which will eventually decide the nature of transaction, the department prays to draw attention of the Hon'ble Bench to the development agreement dated 17-03-2011 (Pg. 36 to Pg. 86 of the material paper book).

8. The terms agreed upon in the agreement with regard to the revenue sharing model are summarized below (Summary lifted from Pg. 60 to Pg. 62 of the material paper book):

- The developer will receive 77.68% of revenue from sale of apartments, car parking and terrace area in the project.

- The assessee is entitled to 2.40% of the revenue from out of the sale of the total saleable super built-up area in the form of residential apartments falling under the common pool.

- An Escrow Account is opened in M/s Syndicate Bank, in which the entire sale consideration will be deposited. The account will be debited in favor of Group-A landowners in their revenue sharing ratio as and when the amount credited to the account reaches 25 lacs.

- In case of cancellation of the booking, Group-A landowners will reimburse 22.32% share towards the refund amount.

- The developer will lay down the pricing policy and intimate to the Group-A landowners the average sale rate on a periodic basis.

- On completion of the project, if any stock is left unsold, the developer and the Group-A landowners will mutually discuss and share the unsold stock along with their advantages and disadvantages in the ratio 22.32 (Group A) :77.68 (Developer).

9. Clarifying the factors material for determining whether a transaction is an 'adventure in nature of trade', the Hon'ble High Court of Andhra Pradesh in case of PJ Udani vs. CIT (Pg. 87 to Pg. 108 of the material paper book) held that:

"It is well settled that even a single transaction of purchase and sale, though outside the assessee's line of business, may constitute an adventure in the nature of trade, provided the transaction bears **the essential indicia or elements of trade.** So then, unless there be indicia of trade or of trading activity, evidently commercial in nature, gains and profits are more likely to be an accretion of capital and not an yield of income which may be brought to tax. The question whether a certain speculation is an adventure in the nature of trade has to be determined on a consideration of a variety of circumstances, regard being had to the **nature of organising the speculation; nurturing the property; disposing it off and also the circumstances leading to its sale; whether the article purchased in kind and in quantity is capable only of commercial disposal and not of retention as an investment or of use by the purchaser ; what was the nature of occupation and profession of the assessee; whether the transaction is in the line of business or' trade carried on by the purchaser; what was the dominant intention of the purchaser at the time of purchase; whether the purchaser before resale has caused expenses to be incurred in making the commodity more readily saleable; and whether the transaction is exactly of the kind that takes place in ordinary trade in which resale requires a number of separate disposals or a series of operations.** These and various other ,considerations which the

facts of the particular case may warrant have to be kept in view in coming to the conclusion."

[Emphasis supplied]

10. *The essential indica or elements of trade as referred to in the order of the Hon'ble High have been defined in the Report of the Royal Commission on the Taxation of Profits and Income. (Pg. 109 to Pg. 110 of the material paper book)*

11. *The report identifies certain "badges" or identifying features of trade, which have been held as objective tests to define a trading adventure. The indices and their applicability to the transaction in question is summarized below:*

Index	Remarks
<i>Property which does not yield to its owner an income or personal enjoyment merely by virtue of its ownership</i>	<i>The assessee never intended to use the flats for his personal enjoyment. The quick succession of events leading to the development agreement points to clear intention of re-sale of property.</i>
<i>The length of period of ownership</i>	<i>The assessee acquired the parcel of land on 19-05-2006 and relinquished it in favor of the developer through agreement dated 17-03-2011. The conduct of the assessee in the intervening period point to clear intention of disposing off the developed property to reap profits.</i>
<i>The frequency or number of similar transactions</i>	<i>sale of 1244 flats belonging to the common pool. Therefore realization of the same sort of property has occurred in succession over a period of years</i>
<i>Supplementary work on or in connection with the property realized.</i>	<i>The assessee, by participating in the revenue sharirig model the assessee along with the developer, M/s Shriram Properties Pvt. Ltd., is attracting purchasers through use of advertising, opening of marketing office and other such organized means of obtaining profits.</i>
<i>The circumstances that were responsible for realization</i>	<i>No sudden emergency or opportunity calling for ready money has been established by the assessee.</i>
<i>Motive</i>	<i>Purpose of the transaction of purchase of land was to realize profits and never to retain for personal enjoyment.</i>

12. *The department submits that, it is a fact that, by participating in a revenue sharing model, the assessee is partaking risks and rewards inherent in price fluctuations, which makes the transaction akin to an adventure.*

13. The department prays to draw attention of the Hon'ble Bench to the order of Hon'ble ITAT, Mumbai in case of DCIT vs. Gopal Ramnarayan Kasat, which was subsequently upheld by the Hon'ble High Court of Bombay (Pg. 111 to Pg. 131 of the material paper book). The Hon'ble ITAT in this case held that:

*"We have also examined the meaning of the term 'adventure in the nature of trade' mentioned in Section 2(13) of the Act. It has not been defined in the Income-tax Act. As far as the dictionary meaning of the word 'adventure' is concerned, it implies a **pecuniary risk, a venture, a commercial enterprise. The word 'venture' in its turn is defined as a commercial activity in which there is a risk of loss as well as a chance of gain.**"*

[Emphasis supplied]

14. The department submits that the revenue-sharing model of Joint Development being followed by the assessee is a composite arrangement wherein land is contributed by one party and the development being carried out by the other party with a clear understanding on sharing of the proceeds from sale of entire developed property and also with an understanding on sharing of unsold inventory between both the parties.

15. The department submits that by sharing the sale proceeds and unsold inventory, the assessee is taking exposure to the same risks of uncertainty in pricing and salability as the developer.

16. The department submits that the risk borne by the assessee is amplified by the fact that he is sharing proceeds from sale of 1244 flats. Sale of each flat among the 1244 flats will bear its own risk of price fluctuations and salability. (Flats at common pool listed at Pg. 132 of the material paper book)

17. Also, if at the end, some flats are left unsold, their advantage and disadvantage will be shared proportionately between the owners and the developer. (Relevant page of Development agreement dated 17-03-2011 at Pg. 62 of the material paper book)

18. The department submits that, by wording it so, the development agreement itself recognizes the fact that the risks and rewards associated with the marketability or not of the flats is shared between the owner and the developer.

19. The department, therefore submits that, when the developer accounts the sale proceeds of all flats as business income in its books, the assessee being exposed to the risks and rewards on sale of 1244 flats must also account it as business income.

20. The department submits that the revenue sharing arrangement is akin to the operation of a partnership, with one partner (assessee) makes capital contribution in kind (land) and the other partner (developer) makes the capital contribution through bearing the development expense. The sale proceeds are then shared between the partners in proportion to their capital contribution ratio.

21. Having submitted the reasons as to why the transaction is an adventure of trade, the department submits that such a transaction by no stretch of imagination can be a transaction on the capital account.

22. The department submits that the revenue received by the assessee cannot be construed as a simple case of transfer of property under capital gains. In any transfer of property, the transferor and the transferee exercise effective control over the transaction. In the present scenario, the assessee has no control over the sale process (right to choose the transferee) and the cancellation of the contract (right to terminate the agreement to sell).

23. The department submits that a transaction on capital account has a certain degree of certainty with respect to the return on the investment. The returns of the assessee in this case will be variable, which is typical of an adventure in nature of trade.

24. The department submits that by entering into a revenue sharing arrangement the assessee has in effect converted the flats in capital account into stock-in-trade. Any profit realized on sale of stock-in-trade is business income and not capital gain.

II. ON ORDER OF THE LD. CIT(A)

1. The department prays to draw attention of the Hon'ble Bench to the findings of the Ld. CIT(A) at Pg-28 and Pg-29 of CIT(A) order. The Ld. CIT(A) held that the income is to be taxed under the head 'capital gains' for the following reasons:

- The Ld. CIT(A) held that the revenue sharing arrangement was a financing arrangement or a deferred payment arrangement which does not change the nature of the transaction.

- As no business income was earned by the appellant in the earlier years and hence the income from the transaction is to be taxed as capital gains.

- Capital asset was held for more than 3 years resulting in long term capital gain in hands of the assessee.

2. The department submits that as held by the Hon'ble Supreme Court in case of **Narain Swadeshi Weaving Mills vs. Commissioner of Excess Profits Tax** (Pg. 133 to Pg. 141 of the material paper book), a single isolated transaction outside the assessee's line of business may constitute adventure in nature of trade. Hence, Ld. CIT(A)'s observation that the income in question cannot be business income, for lack of repetition or continuity, is erroneous.

3. The department submits that the intention of the assessee to sell the flats at the time of

- allotment, his exposure to risks and rewards in pricing of the flats and use of organized means of sale of flats shows that the arrangement was not a simple financing arrangement but an adventure in nature of trade.

4. *The department submits that the finding of the Ld. CIT(A) that the capital gain will be long term in nature is without any basis for reasons discussed in the following paragraph.*

III. ON NATURE OF CAPITAL GAIN

1. *The Department submits that even if it is held that the income is not out of business but capital gain, such gain would be short term in nature.*

2. *The department prays to draw attention of the Hon'ble Bench to the order of Hon'ble ITAT, Hyderabad in case of Dr. Maya Shenoy vs. ACIT (Pg. 142 to Pg. 157 of the material paper book), wherein it was held that the transfer of land in consideration of flats constituted one transaction and the sale of flats by the assessee constituted another transaction giving rise to capital gains.*

3. *Following the same ratio, the Hon'ble ITAT, Mumbai in case of DCIT vs. Jai Trikanand Rao (Pg. 158 to Pg. 164 of the material paper book) held that income attributable to sale of land would be chargeable as long term capital gain and income from sale of building part would be chargeable as short term capital gain.*

4. *The department submits that the flats in the common pool were demarked vide MOA dated 26-06-2012. (Pg. 165 to Pg. 232 of the material paper book)*

5. *By assessee's own admission, the capital gains on sale of these flats arose in his hands during F.Y. 2012-13, 2013-14 and 2014-15.*

6. *The department submits that the flats having been held for less than 36 months are short term capital assets u/s 2(42A) of the I.T. Act and any gain on transfer of such short term capital asset will be short term in nature.*

7. *The department submits that Ld. CIT(A) erred in concluding that the capital gain will be long term and thus allowing the claim of deduction u/s 54F.*

8. *The department further submits, that the claim of assessee towards deduction u/s 54F was allowed without examination of its allowability.*

IV. ON ORDER OF THE HON'BLE ITAT, BANGALORE IN CASE OF SRI VINOD NARAPPA REDDY

1. *The department prays to draw the attention of the Hon'ble Bench to the order of Hon'ble ITAT, Bangalore in case of DCIT, Circle-2(1)(1), Bangalore vs. Sri. Vinod Narappa Reddy. (Pg. 233 to Pg. 242 of the material paper book)*

2. *The department submits that the Hon'ble ITAT, Bangalore allowed the appeal of the assessee on observing that the receipt of the consideration over a period on sale of a capital asset does not change the nature of transaction from capital gains to business.*

3. *The department humbly submits, that, the facts and circumstances pertaining to the sale transaction were not brought to the knowledge of the Hon'ble ITAT, Bangalore.*

4. *The department prays before the Hon'ble Bench, that, the facts and circumstances present in the case of the assessee, may kindly be considered while deciding the appeal."*

8. The Id.DR was asked by the Tribunal to file the details of proceedings and outcome in respect of other assessee / land owners, who are also similarly situated as the assessee before us. In response thereto, the Id.DR had filed the following details, vide pages 1 and 2 of the paper book.

Sl. No	Name	PAN	Jurisdictional Assessing Officer	AY 2013-14		AY 2014-15		AY 2015-16	
				Assessing Officer	CIT(A)	Assessing Officer	CIT(A)	Assessing Officer	CIT(A)
1	Gadi Vijayasimha Reddy	AEYPG0539E	ITO, Ward-1, Chitoor	Order passed on 15.12.2017 u/s 143(3) r.w.s. 147 of IT Act demand raised of Rs.1,04,91,400/- (penalty proceedings u/s 271(1)(c) are initiated separately	CIT(A) order passed on 27.01.2018 order u/s 250 of IT Act, 1961. The appeal is allowed	Order passed on 18.12.2017 u/s 143(3) r.w.s. 147 of IT Act demand raised of Rs.1,11,19,700/- (penalty proceedings u/s 271(1)(c) are initiated separately	CIT(A) order passed on 28.01.2018 Order u/s 250 of IT Act, 1961. The appeal is allowed	Order passed on 15.12.2017 u/s 143(3). Demand raised of Rs.28,45,440/- (Penalty Proceedings u/s 271(1)(c) are initiated separately.	Order passed on 28.01.2018 u/s 250 of the Act and the appeal is allowed.
2	Vishnu Swaroop Reddy Narapareddy	ACWPN3597R	ACIT, Circle-6, Hyd	Assessment completed u/s 143(3) on 03.03.2016 making addition towards LONG TERM CAPITAL GAIN of Rs.1,68,93,484/- and assessing the total income at Rs.2,73,20,244/-	Assessee filed appeal against order u/s 143(3). The CIT(A) allowed the appeal. No further appeal preferred by the dept.			No scrutiny assessment	No appeal
3	Smt. Narapareddy Sulochanamma	ALJPS6219H	DCIT, Circle – 4(3)(1), Bangalore	No assessment order passed. Only u/s 143(1) done	No Appeal	No assessment order passed. Only 143(1) done.	No appeal	Order passed on 29.12.2017	The appellant had already paid the tax demand towards full and final settlement of the tax arrears under the VSVS. The appeal is dismissed and withdrawn

4	Narapareddy Chandrareddy	ADTPC6911G	-do-	Assessment order passed and the demand raised of Rs.4,55,420/-	No appeal	Only u/s 143(1) done	No appeal	Only u/s 143(1) done	No appeal
5	Vinod Narappa Reddy	ACGPN8586N	-do-	Common order dt.28.03.2018 passed by Id.CIT(A) to Bangalore, holding the head of income as LTCG. Hon'ble ITAT Bangalore set aside the claim for deduction u/s 154 of the Act on the file of Assessing Officer. All the appeals of Revenue are treated as partly allowed for statistical purposes.					
6	Padma C. Reddy	AIFPP2241M	-do-	No scrutiny assessment			No scrutiny assessment		Demand of Rs.30,840/- raised u/s 143(1a) dt.09.10.2016
7	Amaravenkata Satyanarayana	AWHPA8594N	ITO, IT1(1), Chennai	No assessment order passed			-do-		No scrutiny assessment.

9. Per contra, Id.AR submitted that the co-ordinate Bench of the Tribunal while interpreting the very same JDA in the case of Vinod Narapa Reddy in ITA No.1853 to 1855/Bang/2018 dt.05.10.2020 had granted the relief to the assessee and he had drawn our attention to paras 16 to 20 which are as under :

“16. We heard the parties and perused the record. A perusal of the grounds of appeal urged by the revenue would show that the revenue is aggrieved by the decision of Ld CIT(A) in holding that the amounts received by the assessee is assessable as long term capital gains. Hence we confine ourselves with the said issue alone. We notice that the Ld CIT(A) has dealt with this issue as under:-

9.5 Adventure in the nature of trade/capital gain?

9.5.1 The A.O. for treating the same as adventure in the nature of trade has sold as under:

“The assessee has agreed to receiving the revenue on the sale of each of the apartment in its share and is accordingly receiving it year on year. In such a case, it can only be considered that the assessee is doing business in the nature of adventure in the nature of trade or concern and hence the receipt has to be considered as business profit.”

9.5.2 In reply the appellant has given its submissions saying that initially 25% super built up area was agreed to be given to the land owners by the developer in lieu of the transfer of their rights in the land to the buyers of the flats. The same 25% was proportionately shared by all the co-owners in the ratio of the land owned by them. However, as some of the land owners were not happy with this arrangement, the same was subsequently modified after negotiations with the developer in respect of some of the property owners to translate the 25% share in the super built up space (proportionate) into a fixed percentage of share in the gross revenue of the project as compensation for towards the land. The appellant along with few other owners have opted for this method of compensation. All other terms and conditions remaining the same, this change from fixed percentage of super built up

space to a fixed percentage of gross revenue, does not change the essential character of the transaction. Further, it is stated that, as he had no intention to retain the super built up area offered by the developer initially, the appellant has chosen to opt for the fixed percentage compensation essentially to avoid getting stuck with super built up space in the project if in case he is not able to sell the same and also he wanted to get immediate returns from the JDA for reinvestment in the house property, on which exemption u/s 54F has been claimed. It is also stated that the appellant being an IT professional had no intention to do any business in the property which has been inherited from his father as a co-owner along with mother and brother. Considering all the above, it is seen that the transaction is essentially a transfer of co-ownership property by entering into a JDA along with the other co-owners and the same cannot be treated as adventure in the nature of trade.

9.5.3 In this regard, the AO in the Asst order for the AY 2013-14 (which was followed for the A.Y 2014-15 & 2015-16) has essentially held as under:

The assessee has agreed to receiving the revenue on the sale of each of the apartment in its share and is accordingly receiving it year on year. In such a case, it can only be considered that the assessee is doing business in the nature of adventure in the nature of trade or concern and hence the receipt has to be considered as business profit.

9.5.4 The fact of receipt of consideration spread over several years does not change the nature of transaction. Even in the case of receipt of sale consideration by way of super built up space also, it may happen that the seller may receive the possession of the flats at various intervals falling in different financial years, depending on the completion of various stages of the project necessitating taxing the said capital gains spread over several years. There is no other fact/argument put forth by the AO. Therefore, there is no force in the argument of the AO that the transaction is in the nature of adventure/trade. Accordingly, I am of the view that the transfer of the property shall be treated as a long term capital gain.

9.5.5....

90.5.6.....

9.5.7 The appellant has also submitted that under the similar circumstances the department has treated the transaction to be that of capital gains in the hands of all the co-owners those who have taken super built up space and also those who have opted for proportionate % of sale proceeds except in his case. The appellant also referred to the orders passed in the cases of his mother Mrs. Sulochanamma and brother Sri Vishnu Swaroop Reddy wherein under the identical circumstances (receiving certain percentage of gross receipts) held the gain from the sale of land transaction as long term capital gain. It is submitted that in the case of brother of the Appellant, namely Sri N. Vishnu Swaroop Reddy, the Hon'ble Commissioner of Income Tax (Appeals)-7, Hyderabad, has passed a favourable order directing the Assessing Officer to give exemption u/s 54F of the Income Tax Act,

wherein the gain was assumed to be a Long Term capital gain. Copy of the CIT(A) order was also produced.

9.5.8 In view of the above, I am of the view that the fact of receipt of consideration spread over several years does not change the true nature of the transaction from capital gains to business. Even in the case of receipt of sale consideration by way of super built up space also, it may happen that the seller of land may receive the possession of the flats at various intervals falling in different financial years, depending on the completion of various stages of the project, necessitating taxing the said capital gains spread over several years. There is no other fact/argument put forth by the AO for considering the said gain returned as long term capital gains in to business income. Therefore, I am of the view that there is no force in the argument of the AO that the transaction is in the nature of adventure/trade.

9.5.9 Accordingly, respectfully following the decision of the ITAT in the case of Mohinder Kr. Jain supra also following the decision taken in identical circumstances, in the hands of other co-owners who have pooled the land, more so in the hands of the mother and brother of the appellant (two joint family co-owners) by the concerned AO and the CIT(A), to be consistent in the approach of the department. I am of the view that the transfer of the property shall be treated as a long term capital gain for all the Asst Years involved. Accordingly, the AO is directed to treat the gain as Long Term Capital Gain as returned by the appellant for the years involved in this batch of appeals.”

17. We notice that the assessing officer has treated the amounts received by the assessee as business receipts, solely for the reason that the amounts were received in instalments. The undisputed facts remain that the assessee is the owner of land and he has transferred the same to the developer, M/s Shriram Properties Ltd under a Joint Development Agreement. It is a fact that the assessee has not carried on any venture or business activity by so transferring the land. On the contrary, it is M/s Shriram Properties Ltd, which is carrying on business activity. The role of the assessee is restricted to transferring the land and receiving the consideration. There is no dispute with regard to the fact that the land was held by the assessee as “capital asset” only. Hence the transfer of land would give rise to capital gains only as per the provisions of the Act.

18. It so happened that the consideration for transfer of land was so fixed that the assessee would be receiving 2.64% of the sale consideration of flats that are going to be constructed. Hence the assessee would be receiving amounts as and when the flats are sold. As rightly observed by Ld CIT(A), the receipt of consideration over a period on sale of a capital asset does not change the true nature of transactions from capital gains to business. Irrespective of timing of receipt of sale consideration, the transfer of a capital asset would give rise to capital gains only. Hence we are of the view that the Ld CIT(A) was justified in holding that the amounts received by the assessee is assessable as long term capital gains.

19. *At the time of hearing, the Ld A.R submitted that the assessee has claimed deduction u/s 54 of the Act and AO did not examine the same, since he had assessed the receipts as business income. Accordingly he prayed that the assessing officer may be directed to allow the deduction. On the contrary, the ld D.R submitted that there was no occasion for the AO to examine the claim of deduction u/s 54 of the Act. Accordingly the ld D.R submitted that, if the Tribunal holds that the amounts received by the assessee is assessable as long term capital gains, then the question of deduction u/s 54 should be restored to the file of the AO.*

20. *We have agreed with the view taken by the Ld CIT(A) that the amounts received by the assessee is assessable as long term capital gains. We also notice that there was no occasion for the AO to examine the claim for deduction u/s 54 of the Act, since he had assessed the receipts as business income. Accordingly, we find merit in the contentions of the Ld D.R. Accordingly, we restore the issue of claim for deduction u/s 54 of the Act to the file of the AO.”*

9.1. The ld.AR further submitted that the judgments relied upon by the ld.DR in the case of Venkataswami Naidu and Co., Vs. CIT reported in AIR 1959 SC 359 was subsequently overruled by the decision of the Hon’ble Supreme Court in the case of Saroj Kumar Mazumdar Vs. CIT dt.04.05.1959.

9.2. The ld.AR further submitted that there is no prohibition under the Income Tax Act for the assessee to opt for particular model i.e., option available either to get the monetary or non-monetary consideration from the developer for contributing the land in the project. It was submitted that the money consideration, if opted by the assessee can be in the form of share in the sale consideration of the project in a specified ratio or can be upfront determination of sale consideration and receiving the same in the manner provided in the agreement. It was submitted that the Assessing Officer cannot substitute for the assessee and decide what is most suitable for the assessee. The assessee should be left to take the commercial decisions as per his understanding and circumstances prevailing at the time of

entering the JDA. The Assessing Officer should not substitute or occupy the armchair of the assessee at the time of making the decision.

10. We have heard the rival submissions and perused the material on record. The Id.CIT(A) in Para 7.3 to 7.5 of his order has decided the issue as under :

“7.3 Finding on GOA No. 2 to 35:-

From AY 2012-13 to AY 2015-16 the appellant has shown income from LTCG on sale of parcel of land at Badaraguppe Village, Anekal Taluk, Bangalore Dist. The solitary issue in the present appeal is justification of AO to treat the arrangement of appellant with M/s. SPL for development of his landed property into residential apartments under JDA to be “adventure in nature of trade” / “Business income” and consequently denying the claim of appellant u/s. 54F from Net LTCG shown.

7.4 Business arrangement of appellant with M/s. SPL

a) Appellant originally entered into a JDA with M/s. SPL on 21.08.2008 to develop 21 acres and 1.5 gunthas of land into residential apartments and villas. Later it was modified and a fresh agreement was entered on 17.03.2011 to develop land owned by appellant and other coowners into residential apartments / flats. Developer will pay 2.40% of receipts on sale on property to appellant as per Revenue sharing arrangement in exchange for land of 1 acre and 38 gunthas ceded by appellant to developer. This property was to be developed into residential apartments pursuant to JDA dated 17.03.2011.

b) Revenue will be received over a period of time as and when the Developer is able to sell the developed property on year to year basis in line with the revenue sharing arrangement. Appellant received his shares of Rs. 89.39 lac during FY 2011-12 i.e. ceding the proportionate area of land by appellant in favour of ultimate buyer as a transfer u/s. 2(47) of Act. Under Clause 15.3 of JDA the appellant has given limited permission to M/s. SPL to develop the land. This shows that there was neither transfer of land in favour of M/s. SPL at time of signing JDA nor intention of appellant to jointly develop property with M/s. SPL with prorata contribution of cost of development.

c) Appellant has no knowledge of real estate business and entire risk was borne by M/s. SPL and appellant was entitled to receive a mutually agreed consideration as 2.40% of Revenue earned by M/s. SPL.

This is one off transaction on part of appellant because he owned a certain piece of land that formed part of the block of land to be developed by M/s. SPL.

7.5 *Action of AO treating the share of revenue of appellant as Business Income*

a) *AO ignored the fact that this arrangement was a financing arrangement or deferred payment arrangement which does not change the character of transaction. Appellant avoided the entire risk associated with business which was borne by M/s. SPL.*

b) *It is a fact that appellant purchased this land as agricultural land on 19.05.2006. It was converted to non agricultural land vide BBMP order dated 01.02.2007 of Spl. Dy. Commissioner, Bangalore much before the JDA was entered i.e. 17.03.2011.*

c) *No business income was earned by appellant in any of the earlier AY's. This acquisition of land on 19.05.2006 was pure investment by appellant of a capital asset and does not form part of stock in trade.*

d) *Receipt of Revenue share is mode of receiving the consideration of a transaction involving transfer of Long Term Capital Asset only. This capital asset was held for a period over 3 years and resultant income is Capital Gains and not Business Income in hands of appellant."*

10.1. The co-ordinate Bench of the Tribunal in the case of the assessee namely, Vinod Narapa Reddy in ITA No.1853 to 1855/Bang/2018 dt.05.10.2020 (supra) had decided the same issue in favour of the assessee and decided the issue of long term capital gains.

10.2. In fact, the similar view was taken by the ld.CIT(A) in the case of Vishnu Swaroop Reddy, PAN No. ACWPN3597, who was assessable in Hyderabad, wherein he has decided the issue in favour of the assessee. In the case of Vishnu Swaroop Reddy (supra), capital gain was worked out by the assessee for A.Y. 2013-14 at Rs.1,68,93,484/-. Against the said order, no appeal was preferred by the Revenue before the Tribunal.

10.3. Similarly, in other cases, the details of which are mentioned hereinabove in the submissions of Id.DR, the Department had accepted that the assessee in those cases was entitled for long term capital gain. In our view, the department is supposed to take coherent, consistent and uniform stand against all the assessees, who are similarly situated and whose rights are emanating from the very same agreement. In our view, the department cannot take the contrary view, which has been taken in a group of assessees to the determinant to the assessee before us. The law abhor uncertainty and selective approach against any individual.

10.4. In our considered opinion, once the co-ordinate Bench in the case of connected assessees whose rights are emanated from the same JDA, had decided the issue in favour of the assessee, then the said principle laid down by the co-ordinate Bench is required to be applied to all the assessees unless there is a change in law or facts. The Revenue in the instant case has failed to point out any change in law or facts in the case of assessee and therefore, we are left with no other option but to follow the decision of the co-ordinate Bench of the Tribunal in the case of Vinod Narapa Reddy in ITA No.1853 to 1855/Bang/2018 dt.05.10.2020 (supra).

10.5. There is yet another reason to allow the appeal of assessee as we came across the recent Circular issued by the Revenue and the MCQ replies given by the Revenue in the context of Section 45(5A) of the Act under the heading Joint Development Agreement. The said circular and the MCQ appended thereto provides as under :

Joint Development Agreements (JDA)

Taxability under Section 45(5A)

- *Taxability of Joint Development Agreements (JDA)*

If an individual or HUF enters into a joint development agreement (JDA) with a builder or joint developer, it shall be deemed that the capital asset is transferred during the year in which the certificate of completion for the whole or part of the project is issued by the competent authority.

- *Meaning of Joint Development Agreement*

Joint Development Agreement means a registered agreement in which a person owning land or building agrees to allow another person to develop a real estate project on such land or building, in consideration of a share in such project, whether with or without payment of part of the consideration in cash or by a cheque or draft or by any other mode.

- *Meaning of Competent Authority*

Competent authority means the authority empowered to approve the building plan by or under any law for the time being in force.

- *Calculation of Capital Gains*

The capital gains shall be computed in the following manner:

<i>Particulars</i>	<i>Amount</i>
<i>Full value of consideration</i>	<i>xxx</i>
<i>Less:</i>	
<i>Cost of acquisition / Indexed cost of acquisition</i>	<i>(xxx)</i>
<i>Cost of improvement / indexed cost of improvement</i>	<i>(xxx)</i>
<i>Expenditure in connection with the transfer</i>	<i>(xxx)</i>
<i>Less:</i>	
<i>Exemption under Section 54 to Section 54GB</i>	<i>(xxx)</i>
<i>Short term / long term capital gains</i>	<i>xxx</i>

- *How to calculate the full value of consideration?*

In JDA, the land-owner may get monetary or non-monetary consideration from the developer for contributing his land to the project. Monetary consideration can be a share in the sale

consideration of the project, and non-monetary consideration means a specified share in the developed estate.

In this case, the aggregate of money consideration received by the owner of immovable property and the stamp duty value of the property in respect of the owner's share in the developed project on the date of issuing of the certificate of completion by the competent authority shall be deemed to be the full value of the consideration received or receivable by the owner as a result of the transfer of such immovable property.

Meaning of Stamp Duty Value

Stamp Duty Value means the value adopted or assessed or assessable by any authority of the Government for the purpose of payment of stamp duty in respect of immovable property, being land or building or both.

- *Cost of Acquisition*

For the computation of the capital gains from the joint development agreement, the cost of acquisition and indexed cost of acquisition of the land or building covered by the JDA shall be computed as per general provisions.

The cost of acquisition of share in the developed project in the hands of the land-owner shall be the amount which is deemed as the full value of consideration for the purpose of computing capital gains under this provision.

- *Period of holding*

The period of holding shall be counted from the date of purchase or acquisition till the date immediately preceding the date on which the certificate of completion is issued by the competent authority.

However, if the owner of land or building transfers his share in the project to any other person on or before the date of issue of the certificate of completion, the capital gains shall be computed as per general provisions of the Act without taking into account the above special provisions, and it shall be deemed to be the income of the previous year in which such transfer takes place.

Deduction of Tax [Section 194-IC]

- *Who is a deductor?*

Any person responsible for paying any sum by way of consideration under a Joint Development Agreement shall deduct tax therefrom. The tax is deducted at the time of payment or at the time of credit of the sum to the account of the deductee, whichever is earlier.

- *Who is the deductee?*

The tax shall be deducted if the payment is made to resident individual or HUF.

Rate of TDS

The tax shall be deducted at the flat rate of 10%. The tax shall be deducted at 20% if Section 206AA or Section 206AB apply.

MCQs on Joint Development Agreements (JDA)

Q1. If an individual or HUF enters into a joint development agreement (JDA) with a builder or joint developer, it shall be deemed that the capital asset is transferred during the year in which the _____.

- (a) certificate of occupancy of the project is issued by the competent authority*
- (b) certificate of completion for the whole or part of the project is issued by the competent authority*
- (c) possession of the asset is transferred to the buyer*
- (d) Sale deed is executed in favour of the buyer.*

Correct answer: (b)

Explanation: If an individual or HUF enters into a joint development agreement (JDA) with a builder or joint developer, it shall be deemed that the capital asset is transferred during the year in which the certificate of completion for the whole or part of the project is issued by the competent authority.

Q2. Full Value of Consideration in Joint Development Agreement includes-

- (a) monetary consideration*
- (b) Non-monetary consideration*
- (c) Both (a) and (b)*
- (d) None of the above*

Correct answer: (c)

Explanation: In JDA, the land-owner may get monetary or non-monetary consideration from the developer for contributing his land to the project. Monetary consideration can be a share in the sale consideration of the project, and non-monetary consideration means a specified share in the developed estate.

Q3. Full Value of Consideration in Joint Development Agreement with respect to non-monetary consideration means

- (a) Fair Market value of the owner's share in the developed project*
- (b) Stamp Duty Value of the owner's share in the developed project on the date of issue of completion certificate*
- (c) Stamp Duty Value of the owner's share in the developed project on the date of possession of such share*

(d) None of the above

Correct answer: (b)

Explanation: In the case of JDA, the aggregate of money consideration received by the owner of immovable property and the stamp duty value of the property in respect of the owner's share in the developed project on the date of issuing of the certificate of completion by the competent authority shall be deemed to be the full value of the consideration received or receivable by the owner as a result of the transfer of such immovable property.

Q4. The period of holding shall be counted from the date of purchase or acquisition till the date _____.

(a) _____ immediately preceding the date on which the certificate of completion is issued

(b) _____ of agreement in which the owner agrees to allow another person to develop a real estate project

(c) _____ of sale of such developed real estate project

(d) None of the above

Correct answer: (a)

Explanation: The period of holding shall be counted from the date of purchase or acquisition till the date immediately preceding the date on which the certificate of completion is issued by the competent authority.

Q5. Tax under section 194-IC is deducted for paying any sum by way of consideration under a Joint Development Agreement when the deductee is _____.

(a) Resident Individual

(b) Resident HUF

(c) Both (a) and (b)

(d) Any assessee

Correct answer: (c)

Explanation: Any person responsible for paying any sum by way of consideration under a Joint Development Agreement shall deduct tax therefrom. The tax shall be deducted if the payment is made to a resident individual or HUF.

Q6. Tax under section 194-IC is deducted at the rate of _____.

(a) 5%

(b) 10%

(c) 1%

(d) 20%

Correct answer: (b) Immovable property.

11. From the reading of the above, it is abundantly clear that the assessee can opt for monetary consideration and receive the consideration in the shape of share in the sale of project. In the light of the above, though, the clarification and the MCQ(supra) had been issued subsequently, however, the circular and the MCQ are in the same line of reasoning as given by the co-ordinate Bench and therefore, the order passed by the Id.CIT(A) with respect to treating the income received by the assessee as long term capital gain is permissible and was in accordance with law. Accordingly, we dismiss the grounds of the Revenue on this aspect.

12. **Grounds with respect to section 54F:**

In this regard, the Id.CIT(A) in Para 7.6 had observed as under :

“7.6 Reinvestment by appellant of LTCG to acquire a new residential house.

a) The entire consideration was deposited in Capital Gains Current account scheme- A/c No. 0044 in Syndicate Bank, BTM Layout, Bangalore. This reinvestment was utilized to acquire a new residential property which shows the real intention behind this transaction. This shows that there was no intention of appellant to pursue business in real estate.

b) Appellant has rightly treated the earnings as LTCG over a period of 4 FY's and was entitled to deduction u/s. 54F of Act.”

However, no finding of fact was given with respect to entitlement of the assessee for section 54F and the Id.CIT(A) had mentioned that “the benefit of section 54F be extended to the appellant”.

13. The Assessing Officer, while examining the case of the assessee has not decided on the entitlement of the assessee under section 54F of the Act, as the Assessing Officer has considered the income received by the assessee as business income. In fact, the Id.CIT(A) had also not examined the entitlement of the assessee

after concluding that the income received by the assessee was long term capital gain. We find the Id.CIT(A) in a cryptic and non-speaking order has held that the assessee is entitled to the benefit of section 54F. In our view, since the issue has not been decided by the lower authorities in accordance with law, therefore, it will be appropriate, if the claim of the allowability of the assessee u/s 54F be remitted back to the file of Assessing Officer in accordance with law.

14. In view of the above, the appeal of Revenue challenging the order of Id.CIT(A) in treating the Revenue receipts by the assessee as long term capital gain as against business income by the Assessing Officer is dismissed. So far as the grounds challenging the allowability of deduction u/s 54F, the same is remanded back to the file of Assessing Officer with a direction to decide the claim of allowability of the assessee u/s 54F of the Act in accordance with law after granting due opportunity of hearing to the assessee. The assessee also shall be at liberty to file documents, if any, as required for proving its case and the Assessing Officer shall consider such evidences, if any, filed by the assessee. Needless to say, the Assessing Officer shall examine those documents / evidence filed by the parties and thereafter pass a detailed speaking order. Accordingly, the appeal of the Revenue is allowed for statistical purposes.

15. In the result, the appeal of Revenue in ITA No.374/Hyd/2023 is partly allowed for statistical purposes.

16. Now coming to the others appeals i.e. ITA No.375 and 376/Hyd/2023, which are identical to the facts and issues raised in ITA 374/Hyd/2023, our decision in ITA No.375 and 376/Hyd/2023 would apply mutatis mutandis. Accordingly, these appeals of the Revenue are also partly allowed for statistical purposes.

17. In the result, the appeals of Revenue in ITA Nos.375 and 376/Hyd/2023 are partly allowed for statistical purposes.

18. To sum up, all the appeals of Revenue are partly allowed for statistical purposes. A copy of the same may be placed in the respective case files.

Order pronounced in the Open Court on 5th January, 2024.

Sd/- (R.K. PANDA) VICE PRESIDENT	Sd/- (LALIET KUMAR) JUDICIAL MEMBER
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Hyderabad, dated 5th January, 2024.

TYNM/sps

Copy to:

S.No	Addresses
1	G. Vijayasimha Reddy, 501, Santaclara Apartments, 3 rd Cross, 18 th Main Road, Jayanagar, 4 th T Block, Bangalore - 560041.
2	Income Tax Officer, Ward - 1, Chittoor.
3	Pr.CIT, Tirupati.
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order