

**IN THE INCOME TAX APPELLATE TRIBUNAL  
'A' BENCH : BANGALORE**

**BEFORE SHRI CHANDRA POOJARI, ACCOUNTANT MEMBER  
AND  
SMT. BEENA PILLAI, JUDICIAL MEMBER**

<b>ITA No. 957/Bang/2023</b>
<b>Assessment Year : 2021-22</b>

Shri Hosthota Suryanarayana Akash [HUF], No. 1, Chandra Shree Nilaya, 8 <sup>th</sup> Cross, Near Old Water Tank, Vinobhanagar, Shivamogga – 577 204. <b>PAN: AAGHH4068H</b>	<b>Vs.</b>	The Income Tax Officer, Ward – 1 & TPS, Shimoga.
<b>APPELLANT</b>		<b>RESPONDENT</b>

Assessee by	:	Shri V. Srinivasan, Advocate
Revenue by	:	Shri Nischal .B, Addl. CIT (DR)

Date of Hearing	:	24-01-2024
Date of Pronouncement	:	31-01-2024

**ORDER**

**PER BEENA PILLAI, JUDICIAL MEMBER**

Present appeal arises out of order dated 27/09/2023 passed by NFAC, Delhi for assessment year 2021-22.

**2. Brief facts of the case are as under:**

**2.1** The assessee e-filed the return of income for A.Y.2021-22 on 24.12.2021 declaring total income of Rs.3,93,650/-. The return was processed by CPC u/s.143(1) of the Act accepting the

returned income. The case was selected for complete scrutiny under CASS. Subsequently, notices u/s. 143(2) and 142(1) of the Act along with the questionnaires were issued and served upon the assessee calling for relevant details. In response to the notices, the assessee furnished details through the e-filing portal during the assessment proceedings.

**2.2** During the course of assessment proceedings, the Ld.AO observed that, the assessee HUF declared agricultural income of Rs.65,19,279/- during the year under consideration and claimed exemption on the same u/s 10(2) of the Act. The Ld.AO issued show cause notice to the assessee with regard to the amount of Rs.65,19,279/- claimed by the assessee as exempt income. In response, the assessee furnished reply, however, the same was not accepted by the Ld.AO. The Ld.AO therefore, concluded the assessment u/s 143(3) of the Act and treated the amount of Rs.65,19,279/- as income from undisclosed sources and added the same to the total income of the assessee HUF as income from other sources.

**2.3** Aggrieved, by the order of the Ld.AO, the assessee filed appeal before the Ld.CIT(A).

**2.4** The Ld.CIT(A) considered the submissions of the assessee and held as under:

*“I find no force in the arguments of the Assessee. The Assessee admittedly is a serving doctor and resides far away from the place where he owns agricultural land. He has not indicated any existence of a sharecropper or*

*explained how he was conducting the agriculture. The agricultural income is huge compared to his land holding coming to more than Rs. 2 lakhs per acre. Accordingly, the addition/disallowance of Rs. 65,19,279/- made by the AO is hereby upheld. The grounds of appeal no. 1 to 6 are thus dismissed.”*

**2.5** Aggrieved by the order of Ld.CIT(A), the assessee is in appeal before this *Tribunal*.

**3.** All the grounds of appeal are interlinked with each other and are taken up together for adjudication. In these grounds of appeal, the assessee has agitated against the action of the Ld.AO in disallowing the agricultural income of Rs.65,19,279/- and assessing the same as income from undisclosed sources by invoking the provisions of section 56(1) of the Act.

**4.** Before us, Ld.AR submitted that assessee is not well versed in Income Tax Portal and failed to notice about the notice issued by the department digitally. Hence, he prayed that one more opportunity of hearing may be given before the Ld. CIT(A). We accede to the request of the Ld. A.R. and remit the issue in dispute to the file of Ld.CIT(A) to decide the same afresh after giving an opportunity of hearing to the assessee.

**Accordingly, the grounds raised by the assessee stands partly allowed for statistical purposes.**

**In the result, the appeal filed by the assessee stands partly allowed for statistical purposes.**

**Order pronounced in the open court on 31<sup>st</sup> January, 2024.**

**Sd/-**

(CHANDRA POOJARI)  
Accountant Member

**Sd/-**

(BEENA PILLAI)  
Judicial Member

Bangalore,  
Dated, the 31<sup>st</sup> January, 2024.  
/MS /

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|---------------|------------------------|
| 1. Appellant  | 2. Respondent          |
| 3. CIT        | 4. DR, ITAT, Bangalore |
| 5. Guard file | 6. CIT(A)              |

By order

Assistant Registrar,  
ITAT, Bangalore