

**IN THE INCOME TAX APPELLATE TRIBUNAL
“A” BENCH: BANGALORE**

**BEFORE SHRI PRASHANT MAHARISHI, VICE PRESIDENT
AND
SHRI PRAKASH CHAND YADAV, JUDICIAL MEMBER**

ITA No.1948/Bang/2024
Assessment Year: 2018-19

Baregundi Jagadhisha Yadiyala S/o Devrao Patel Sanyasigudde Ullooru Road Moodlkatte Posst Kundapura TQ Udupi Dist 576 217 Karnataka PAN NO : AEFPY1845J	Vs.	ITO Ward-1 & TPS Udupi
APPELLANT		RESPONDENT

Appellant by	:	Sri Sunil Kumar A., A.R.
Respondent by	:	Sri D.K. Mishra, D.R.

Date of Hearing	:	19.11.2024
Date of Pronouncement	:	21.11.2024

O R D E R

PER PRAKASH CHAND YADAV, JUDICIAL MEMBER:

Present appeal of the assessee is arising from the order of Id. CIT(A) dated 7.8.2024 having DIN & Order No.ITBA/NFAC/S/250/2024-25/1067412043(1) and it relates to the assessment year 2018-19.

2. Facts giving rise to the filing of present appeal are that the assessee is an individual and a senior citizen, filed his return of income for the impugned year declaring a loss of Rs.6,48,189/- including agricultural income of Rs.3,30,890/-. The case of the assessee was selected for scrutiny.

2A During the course of assessment proceedings, the AO observed that the assessee has entered into an agreement to sell with one builder namely Ashwagandha Energy & Infratech Pvt. Ltd. It has been observed that assessee handed over certain land to the builder and in consideration received equity shares for value of Rs.25.27 crores. The AO was of the view that the assessee has failed to substantiate the source of this credit of Rs.25.27 crores. Accordingly, the AO treated the allotment of shares as unexplained credit and added the same to the income of the assessee.

3. Aggrieved with the order of AO, the assessee preferred an appeal before the Id. CIT(A) and filed certain additional evidences. However, the Id. CIT(A) observed that there is no application from the side of assessee, requesting for the admission for the additional evidence and hence, the additional evidences filed by the assessee remained unadmitted. Thereafter, the Id. CIT(A) dismissed the appeal of the assessee. Aggrieved with the order of Id. CIT(A), the assessee has come up in appeal before us and has raised four grounds of appeal.

4. At the outset, the Id. Counsel for the assessee argued ground Nos.2, 3 & 4 and prayed that the matter may kindly be restored to the file of AO for fresh adjudication in the interest of justice. It is pertinent to note here that counsel for the assessee has not pressed ground No.1. Therefore, the ground no.1 is dismissed as not pressed.

5. The Id. D.R. appearing on behalf of the revenue relied upon the orders of the authorities below.

6. After considering the rival submissions, we observe that in this case, the assessee is a senior citizen and has explained to the AO that he has sold certain agricultural lands to one builder and in lieu of that he has got equity shares equivalent to the value of R.25.27

crores. We further observe that in this case, the assessee has responded to the notice of AO on 11.8.2021 and the ld. AO has framed the impugned assessment on 27.8.2021. Similarly, we observe that the ld. CIT(A) has also dismissed the appeal without looking into the documentary evidence filed before him. Therefore, considering the facts and circumstances of the case and in the interest of justice, we restore this matter to the file of ld. AO for fresh examination needless to say that the AO will grant meaningful opportunities to the assessee before concluding the assessment.

6. In the result, appeal of the assessee is partly allowed for statistical purposes.

Order pronounced in the open court on 21st Nov, 2024

Sd/-
(Prashant Maharishi)
Vice President

Sd/-
(Prakash Chand Yadav)
Judicial Member

Bangalore,
Dated 21st Nov, 2024.
VG/SPS

Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The DR, ITAT, Bangalore.
5. Guard file

By order

Asst. Registrar,
ITAT, Bangalore.