

**IN THE INCOME TAX APPELLATE TRIBUNAL
'B' BENCH, BANGALORE**

**BEFORE SHRI WASEEM AHMED, ACCOUNTANT MEMBER AND
SHRI SOUNDARARAJAN K, JUDICIAL MEMBER**

ITA No. 236/Bang/2025
Assessment Year: 2017-18

Sandeep Kumar Ravindra Murthy Kunduguli, S Kumar Constructions, Kondugolli, Kesave Post, Koppa Taluk, Koppa-Chickmagalur – 577 126. PAN – AMPPK 7415 C	Vs.	The Asst, Commissioner Income Tax, Circle – 1, Hassan.
APPELLANT		RESPONDENT

Assessee by	:	Shri Adarsh S Shenoy, C.A
Revenue by	:	Shri Subramanian S, JCIT (DR)

Date of hearing	:	07.04.2025
Date of Pronouncement	:	28.05.2025

ORDER

PER WASEEM AHMED, ACCOUNTANT MEMBER:

This is an appeal filed by the assessee against the order passed by the Addl/JCIT(A)-2, Mumbai dated 28/11/2024 in DIN No. ITBA/APL/S/250/2024-25/1070705650(1) for the assessment year 2017-18.

2. The only effective ground raised by the assessee is against the action of the Id. CIT(A) in confirming the addition of ₹11,00,000 by reclassifying the declared agricultural income as non-agricultural income.

3. The AO, during the assessment proceedings, noted that the assessee had shown agricultural income of ₹11 lakhs. However, no documentary evidence was submitted to substantiate that this income indeed arose from agricultural operations. In the absence of relevant evidence, the AO treated the said amount as income from other sources. On appeal, the Id. CIT(A) held that submission of landholding details alone does not establish that agricultural operations were carried out or that agricultural income was earned. The Id. CIT(A) observed that the assessee had failed to produce details regarding the crops cultivated, sale invoices, confirmations from purchasers, or records of agricultural expenses. Therefore, the Id. CIT(A) confirmed the addition made by the AO.

3.1 Being aggrieved by the order of the Id. CIT-A, the assessee is in appeal before us.

4. Before us, the learned AR submitted a chart (placed at page 55 of the appeal set) which includes details of the crops cultivated, yield, sale value, and associated expenses. The Id. AR contended that the assessee was engaged in genuine agricultural activity, and due to certain constraints, could not furnish the supporting evidence during the earlier proceedings. The Id. AR prayed that the matter be restored to the file of the AO so that the assessee may be given an opportunity to furnish complete supporting evidence to substantiate the claim.

5. The learned DR, on the other hand, did not object to the request for remand and fairly left the issue to the discretion of the Bench.

6. We have heard both parties and perused the materials available on record. We find that the assessee has not filed the relevant during the course of assessment and appellate proceedings. However, now the assessee undertakes the responsibility to file the necessary requisites details. Thus, in the interest of justice, we are of the considered view that the assessee should be granted one more opportunity to substantiate his claim of agricultural income.

6.1 Accordingly, we set aside the order of the CIT(A) and restore the matter to the file of the AO for fresh adjudication after considering the additional evidence to be submitted by the assessee. The assessee is directed to cooperate with the proceedings and file all necessary supporting documents such as land records, crop yield details, sale bills, confirmations from buyers, and expense statements. Hence, the ground of appeal is allowed for statistical purposes

7. In the result, the appeal filed by the assessee is allowed for statistical purposes.

Order pronounced in court on 28th day of May, 2025

Sd/-

(SOUNDARARAJAN K)
Judicial Member

Sd/-

(WASEEM AHMED)
Accountant Member

Bangalore
Dated, 28th May, 2025

/ vms /

Copy to:

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

By order

Asst. Registrar, ITAT, Bangalore