IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

THURSDAY ,THE TWENTY EIGHTH DAY OF NOVEMBER TWO THOUSAND AND TWENTY FOUR

PRESENT

THE HON'BLE THE CHIEF JUSTICE ALOK ARADHE

THE HON'BLE SRI JUSTICE J. SREENIVAS RAO

INCOME TAX TRIBUNAL APPEAL Nos : 325, 326, 327 and 328 OF 2007 , 79, 80, 81, 82 and 83 of 2008

I.T.T.A. NO. 325 OF 2007

Income tax Tribunal Appeal under Section 260-A of the Income tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Bench "B" Hyderabad in I.T.A. No. 680 /Hyd/1997 (Assessment Year 2002-2003) dated 31-10-2007 preferred against the order of the Commissioner of Income Tax (Appeals) –II, Hyderabad dated 07-03-2007 in ITA No. 0114/CIT (A)-II/05-06 preferred against the order of the Income Tax Officer, Ward –I (1) Hyderabad dated 30-03-2005 in PAN /GIR No. A-472 .

Between:

A.P. State Civil Supplies Corporation Limited, 6-3-655/1/A, Somajiguda, Hyderabad.
...APPELLANT

AND

The Income Tax Officer, Ward-1 [1], Hyderabad. **...RESPONDENT**

I.A. NO: 1 OF 2007(ITTAMP. NO: 314 OF 2007)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased stay the collection of demand pertaining to the assessment year 2002-2003 till pending disposal of the above appeal.

Counsel for the Appellant: SRI. A. V. KRISHNA KOUNDINYA

Counsel for the Respondent: SRI J. V. PRASAD (Senior SC for Revenue)

I.T.T.A. NO. 326 OF 2007

Income tax Tribunal Appeal under Section 260-A of the Income tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Bench "B" Hyderabad in I.T.A. No. 1104 /Hyd/ 2004 (Assessment Year, 2001-2002) dated 31-10-2007 preferred against the order of the Commissioner of Income Tax (Appeals) –II, Hyderabad dated 27-08-2004 in ITA No. 0032 /04-05 preferred against the order of the Income Tax Officer, Ward –I (1) Hyderabad dated 27-02-2004 in PAN /GIR No. A-472 .

Between:

A.P. State Civil Supplies Corporation Limited, 6-3-655/1/A, Somajiguda, Hyderabad.
...APPELLANT

AND

The Income Tax Officer, Ward-1 [1], Hyderabad. **...RESPONDENT**

I.A. NO: 1 OF 2007(ITTAMP. NO: 315 OF 2007)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased stay the collection of demand pertaining to the assessment year 2001-2002 till pending disposal of the above Appeal in the interest of justice.

Counsel for the Appellant: SRI. A. V. KRISHNA KOUNDINYA

Counsel for the Respondent: SRI J. V. PRASAD (Senior SC for Revenue)

I.T.T.A. NO. 327 OF 2007

Income tax Tribunal Appeal under Section 260-A of the Income tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Bench "B" Hyderabad in I.T.A. No. 663 /Hyd/ 2001 (Assessment Year 1998-1999) dated 31-10-2007 preferred against the order of the Commissioner of Income Tax (Appeals) –II, Hyderabad dated 9-10-2001 in ITA No. 85/TR/R-1/CIT (A)-II/2001-2002 preferred against the order of the Income Tax Officer, Ward –7 (1) Hyderabad dated 23-03-2001 in PAN /GIR No. A-472 .

Between:

A.P. State Civil Supplies Corporation Limited, 6-3-655/1/A, Somajiguda, Hyderabad.
...APPELLANT

AND

The Income Tax Officer, Ward-1 [1], Hyderabad. **...RESPONDENT**

I.A. NO: 1 OF 2007(ITTAMP. NO: 332 OF 2007)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased stay the collection of demand pertaining to the assessment year 1998 – 1999 till pending disposal of the above Appeal in the interest of justice.

Counsel for the Appellant: SRI. A. V. KRISHNA KOUNDINYA

Counsel for the Respondent: SRI J. V. PRASAD (Senior SC for Revenue)

I.T.T.A. NO. 328 OF 2007

Income tax Tribunal Appeal under Section 260-A of the Income tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Bench "B" Hyderabad in I.T.A. No. 129 /Hyd/ 2001 (Assessment Year 1997-1998) dated 31-10-2007 preferred against the order of the Commissioner of Income Tax (Appeals) –IV , Hyderabad dated 19-12-2000 in Appeal No. 206/W.7 (1)/CIT (A)IV/2000-01 preferred against the order of the Income Tax Officer, Ward –7 (1) Hyderabad dated 31-03-2000 in PAN /GIR No. A-472 .

Between:

A.P. State Civil Supplies Corporation Limited, 6-3-655/1/A, Somajiguda, Hyderabad.
...APPELLANT

AND

The Income Tax Officer, Ward-1 [1], Hyderabad. **...RESPONDENT**

I.A. NO: 1 OF 2007(ITTAMP. NO: 333 OF 2007)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased stay the collection of demand pertaining to the assessment year 1997 – 1999 till pending disposal of the above Appeal in the interest of justice.

Counsel for the Appellant: SRI. A. V. KRISHNA KOUNDINYA

Counsel for the Respondent: SRI J. V. PRASAD (Senior SC for Revenue)

I.T.T.A. NO. 79 OF 2008

Income tax Tribunal Appeal under Section 260-A of the Income tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Bench "B" Hyderabad in I.T.A. No. 1133 /Hyd/ 2003 (Assessment Year 2000-2001) dated 31-10-2007 preferred against the order of the Commissioner of Income Tax (Appeals) –II , Hyderabad dated 27-08-2003 in ITA No. 178 CIT (A)-II/03-04 preferred against the order of the Income Tax Officer, Ward –1 (1) Hyderabad dated 31-03-2003 in PAN /GIR No. A-472 .

Between:

A.P. State Civil Supplies Corporation Limited, 6-3-655/1/A, Somajiguda, Hyderabad.
...APPELLANT

AND

The Income Tax Officer, Ward-1 [1], Hyderabad. **...RESPONDENT**

I.A. NO: 1 OF 2008 (ITTAMP. NO: 85 OF 2008)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased stay the collection of demand pertaining to the assessment year 2000-2001 till pending disposal of the above Appeal in the interest of justice.

Counsel for the Appellant: SRI. A. V. KRISHNA KOUNDINYA

Counsel for the Respondent: SRI J. V. PRASAD (Senior SC for Revenue)

I.T.T.A. NO. 80 OF 2008

Income tax Tribunal Appeal under Section 260-A of the Income tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Bench "B" Hyderabad in I.T.A. No. 252 /Hyd/ 2003 (Assessment Year 1996-1997) dated 31-10-2007 preferred against the order of the Commissioner of Income Tax (Appeals) –II , Hyderabad dated 05-11-2002 in ITA Nos. 65 , 72 & 73 / CIT (A) –II / 02-03

preferred against the order of the Income Tax Officer, Ward –1 (1) Hyderabad dated 26-03-2002 in PAN /GIR No. A-472 .

Between:

A.P. State Civil Supplies Corporation Limited, 6-3-655/1/A, Somajiguda, Hyderabad.
...APPELLANT

AND

The Income Tax Officer, Ward-1 [1], Hyderabad. **...RESPONDENT**

I.A. NO: 1 OF 2008 (ITTAMP. NO: 86 OF 2008)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased stay the collection of demand pertaining to the assessment year 1996-1997 till pending disposal of the above Appeal in the interest of justice.

Counsel for the Appellant: SRI. A. V. KRISHNA KOUNDINYA

Counsel for the Respondent: SRI J. V. PRASAD (Senior SC for Revenue)

I.T.T.A. NO. 81 OF 2008

Income tax Tribunal Appeal under Section 260-A of the Income tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Bench "B" Hyderabad in I.T.A. No. 254 /Hyd/ 2003 (Assessment Year 1999- 2000) dated 31-10-2007 preferred against the order of the Commissioner of Income Tax (Appeals) –II , Hyderabad dated 05-11-2002 in ITA Nos. 64 / CIT (A) –II / 02-03 preferred against the order of the Income Tax Officer, Ward –1 (1) Hyderabad dated 28-03-2002 in PAN /GIR No. A-472 .

Between:

A.P. State Civil Supplies Corporation Limited, 6-3-655/1/A, Somajiguda, Hyderabad.
...APPELLANT

AND

The Income Tax Officer, Ward-1 [1], Hyderabad. **...RESPONDENT**

I.A. NO: 1 OF 2008 (ITTAMP. NO: 87 OF 2008)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased stay the collection of demand pertaining to the assessment year 1999-2000 till pending disposal of the above Appeal in the interest of justice.

Counsel for the Appellant: SRI. A. V. KRISHNA KOUNDINYA

Counsel for the Respondent: SRI J. V. PRASAD (Senior SC for Revenue)

I.T.T.A. NO. 82 OF 2008

Income tax Tribunal Appeal under Section 260-A of the Income tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Bench "B" Hyderabad in I.T.A. No. 253 /Hyd/ 2003 (Assessment Year 1997 – 1998) dated 31-10-2007 preferred against the order of the Commissioner of Income Tax (Appeals) –II , Hyderabad dated 05-11-2002 in ITA Nos. 65 , 72 & 73 / CIT (A) –II / 02-03 preferred against the order of the Income Tax Officer, Ward –1 (1) Hyderabad dated 28-03-2002 in PAN /GIR No. A-472 .

Between:

A.P. State Civil Supplies Corporation Limited, 6-3-655/1/A, Somajiguda, Hyderabad.
...APPELLANT

AND

The Income Tax Officer, Ward-1 [1], Hyderabad. **...RESPONDENT**

I.A. NO: 1 OF 2008 (ITTAMP. NO: 88 OF 2008)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased stay the collection of demand pertaining to the assessment year 1999-2000 till pending disposal of the above Appeal in the interest of justice.

Counsel for the Appellant: SRI. A. V. KRISHNA KOUNDINYA

Counsel for the Respondent: SRI J. V. PRASAD (Senior SC for Revenue)

I.T.T.A. NO. 83 OF 2008

Income tax Tribunal Appeal under Section 260-A of the Income tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Bench "B" Hyderabad in I.T.A. No. 326 /Hyd/ 2000 (Assessment Year 1996 – 1997) dated 31-10-2007 preferred against the order of the Commissioner of Income Tax (Appeals) –IV , Hyderabad dated 04-02-2000 in Appeal No. 333/ITO.4 (2) / CIT (A) –IV / 99-2000 preferred against the order of the Income Tax Officer, Ward -40 Hyderabad dated 15-03-1999 in PAN /GIR No. A-472 .

Between:

A.P. State Civil Supplies Corporation Limited, 6-3-655/1/A, Somajiguda, Hyderabad.
...APPELLANT

AND

The Income Tax Officer, Ward-1 [1], Hyderabad. **...RESPONDENT**

I.A. NO: 1 OF 2008 (ITTAMP. NO: 89 OF 2008)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased stay the collection of demand pertaining to the assessment year 1996-1997 till pending disposal of the above Appeal in the interest of justice.

Counsel for the Appellant: SRI. A. V. KRISHNA KOUNDINYA

Counsel for the Respondent: SRI J. V. PRASAD (Senior SC for Revenue)

The Court made the following Common Judgment :

THE HON'BLE THE CHIEF JUSTICE ALOK ARADHE

AND

THE HON'BLE SRI JUSTICE J.SREENIVAS RAO

I.T.T.A.Nos.325, 326, 327 AND 328 OF 2007,
79, 80, 81, 82 AND 83 OF 2008

COMMON JUDGMENT: *(Per the Hon'ble the Chief Justice Alok Aradhe)*

Mr. A.V.Krishna Kaundinya, learned Senior Counsel appears for the appellants.

Mr. J.V.Prasad, learned Senior Standing Counsel appears for the Revenue.

2. These appeals have been filed by the Andhra Pradesh State Civil Supplies Corporation Limited (hereinafter referred to as 'the assessee'). The subject matter of appeals pertains to the assessment years 1994-1995 to 2001-2002.

3. In all these appeals, the following substantial question of law arises for determination:

"Whether on the facts and circumstances of the case, the equity participation made by the appellant Corporation in its Joint Venture Companies for the attainment of its objectives could be treated as an investment in violation of Section 11(5)

read with Section 13(1)(d) of the Income Tax Act, 1961 leading to the denial of exemption granted under Section 11 of the Income Tax Act, 1961 and taxing its entire income?"

Therefore, the appeals were heard analogously and are being decided by this common order. For the facility of reference, the facts in I.T.T.A.No.83 of 2008 are referred to infra.

4. The factual backdrop in which the aforesaid substantial question of law arises for consideration in these Appeals need mention. For the facility of reference, facts from I.T.T.A.No.83 of 2008 are being referred. The assessee is an Undertaking of State Government which is engaged in the distribution of essential commodities provided by the State Government, on subsidy, in the erstwhile State of Andhra Pradesh. The main object of the assessee is to bring down the prices of essential commodities to ensure equitable distribution to the persons below the poverty line at a controlled price. The State Government introduced Mid Day Meal Scheme for school going students and directed the assessee to supply rice, dal and edible oils to the Government educational institutions in the

State. In addition, the assessee was also required to procure edible rice bran oil and supply the same at reasonable cost to the poorer sections of the society.

5. According to the assessee, on the advice of the Central and State Government, the assessee during the year 1981-82 started a modern dal mill unit and edible grade rice bran oil unit has joint ventures with 50% participation in equity to ensure adequate supply of dal and edible grade rice bran oil The assessee since 1983-84 has been held to be a charitable institution within the meaning of Section 2(15) of the Income Tax Act, 1961 (hereinafter referred to as 'the Act').

6. The assessee filed the return of income for the assessment year 1996-97 on 29.11.1996 declaring an income of Rs.46, 87, 847/- and an exemption under Section 11 of the Act was claimed. The assessing officer, however, held that surplus income of the assessee has not been accumulated in accordance with Section 11(1) of the Act and therefore, the exemption under Section 11 of the Act is not available to the assessee. Accordingly, the claim of exemption under Section

11 of the Act was rejected and total income of the computed at Rs.9,81,28,695/-. Being aggrieved, the assessee filed an Appeal before the Commission of Income Tax (Appeals), who, by an order dated 04.02.2000 *inter alia* held that the assessee is not entitled to benefit of exemption under Section 11 of the Act. However, certain additions made by the assessing officer were directed to be deleted. Accordingly, the appeal preferred by the assessee was partly allowed.

7. The assessee thereupon filed an Appeal before the Income Tax Appellate Tribunal. The Tribunal by a common order dated 31.10.2007 has *inter alia* held that the investment made by the assessee in the joint ventures would fall under the category of investment made in violation of Section 13(1)(d) of the Act and therefore, the assessee is not entitled for exemption under Section 11 of the Act. Being aggrieved, these appeals have been filed.

8. Learned Senior Counsel for the assessee has submitted that the investments in the joint ventures were made only to achieve the primary object of the assessee to ensure adequate

supply of essential commodities to the poorer section of the society and school going children and therefore, the same was not an investment with a proper motive. It is further submitted that the investment made by the assessee was in furtherance of its charitable purposes. Our attention has been invited to the dictionary expression 'investment' as defined in Black's Law Dictionary, sixth edition and P.Ramanatha Aiyar's 'the Law Lexicon', second edition. A decision of the erstwhile High Court of Andhra Pradesh in **Commissioner of Income Tax/Wealth Tax vs. Polisetty Somasundaram Charities**[1] has been referred to in support of his submission that the word 'investment' would be associated with profit motive.

9. It is contended that the Tribunal ought to have appreciated that the assessee was found to be a charitable institution within the meaning of Section 2(15) of the Act and the expression 'charitable purposes' includes relief of the poor, education, yoga, medical relief, preservation of environment and advance of any other object of general public utility. Alternatively, it is submitted that Section 13(1)(d) of the Act

[1] [1990] 183 ITR 377 (AP)

provides only the income from investment which is made in violation of Section 13(1)(d) of the Act is liable to tax and it does not result in denial of exemption under Section 11 of the Act. It is pointed out that the legislature amended Section 13(1)(d) of the Act with effect from 01.04.1983, whereby the amended provision sought to include in the total income only that part of the income which has been earned from its investments and deposits made in violation of the statute.

10. In support of aforesaid submission, reliance has been placed on the decision of **Commissioner of Income Tax vs. FR.Mullers Charitable Institutions** [2] , **Commissioner of Income Tax vs. Working Women's Forum**[3], **Commissioner of Income Tax vs. Orpat Charitable Trust** [4] , and **Commissioner of Income Tax (Exemptions), Pune vs. Audyogik Shikshan Mandal**[5]**.** It is pointed out that SLP filed by the Revenue against the order passed by the Division Bench of Karnataka High Court has been dismissed by the Supreme Court in **M/s. J. Sikile Foundation, Chennai v.**

[2] [2014] 363 ITR 230 (Kar)
[3] [2015] 53 taxmann.com 85 (Madras)
[4] [2015] 55 taxmann.com 211 (Gujarat)
[5] [2019] 101 taxmann.com 247 (Bombay)

DCIT, Exemption-Iii, Chennai [2014] 51 Taxmann.com 378 (SC). Our attention has been invited to circular No.387, dated 06.07.1984 and it has been contended that only that part of income which has earned from the investment or deposit made in violation of Section 13(1)(d) is liable to tax. It is contended that the aforesaid circular binds the authorities under the Act. In support of the aforesaid submission, reference has been made to decision in **UCO Bank vs. Commissioner of Income Tax**[6].

11. On the other hand, learned Senior Standing Counsel for the Revenue has supported the order passed by the Tribunal and has pointed out that the joint venture companies in which the assessee made the investments are neither joint venture companies nor are government companies or corporations established under the Central, State or provincial companies. It is further submitted that the investments made by the assessee is not covered by the exceptions provided in proviso to Section 13(1)(d) of the Act. It is submitted that the exemption provision should be interpreted strictly and once

[6] [1999] 237 ITR 889 (SC)

the violation of Section 13(1)(d) of the Act is established, the entire income from such investment has to be taxed. It is therefore contended that the substantial question of law deserves to be answered in favour of the Revenue. In support of the aforesaid submissions, reliance has been placed on the decision of the Andhra Pradesh High Court in **Action for Welfare and Awakening in Rural Environment (AWARE) vs. Deputy Commissioner of Income Tax**[7] in decision of the Delhi High Court in **Commissioner of Income Tax vs. Narinder Mohan Foundation**[8], decision of the Andhra Pradesh High Court in **Priyadarshini Educational Academy vs. Director General of Income Tax (Investigation)**[9], decision of the Delhi High Court in **Director of Income Tax (Exemption) vs. Charanjiv Charitable Trust** (I.T.A.No.321 of 2013 and batch, dated 18.03.2014), decision of the Telangana High Court in M/s.National Academy of Construction vs. Assistant Director of Income Tax (Exemptions)-1, Hyderabad (I.T.T.A.No.500 of 2006 and batch, dated 31.08.2023) and the decision of the Supreme Court in **Commissioner of Customs**

[7] [2003] 263 ITR 13 (AP)
[8] [2009] 311 ITR 425 (Delhi)
[9] [2011] 333 ITR 347 (AP)

(Import), Mumbai vs. Dilip Kumar and Company [10] and **Principal Commissioner of Income Tax-III, Bangalore vs. M/s.Wipro Limited** (Civil Appeal No.1449 of 2022, dated 11.07.2022).

12. We have considered the rival submissions and have perused the record. Section 11 (1) of the Act mandates that any income derived from the property held under the trust wholly for charitable purpose or religious purpose is exempted from the total income to the extent to which such income is applied to charitable or religious purpose in India. However, Section 11 is subject to provisions of Section 13 of the Act. Section 13 (1) (d) and Section 13 (1) (d) (iii) provides that if any funds of the trust or charitable institution is invested or deposited before first of March, 1983, otherwise than in any one or more of the forms or modes specified in Section 11 (5), continue to remain so invested or deposited after 30.11.1983, the assessee shall not be entitled to the benefit of exemption.

[10] (2018) 9 SCC 1

13. In the instant case, the assessee is a charitable institution and invested the funds in the shares of the joint venture companies, namely, (1) Sudha Modern Dhall Mill Limited (2) Delta Oils & Fats Limited (3) Sri Guruvaurappan Swamy Oil Foods & Fats Limited, and (4) Godavari Edible Bran Oil Limited, in the year 1982-83. The said joint venture companies are neither the Government Companies nor the Corporations established under Central or Provincial Acts. The investment was made by the assessee as a promoter in the joint venture companies. The essential nature of the investment made by the assessee was an investment in the shares of the joint venture companies.

14. The assessee continues to hold share even beyond the cut-off date i.e., 30.11.1983. The funds invested from the assessee corporation was from the profit of previous year relevant to the assessment year 1984-85. Therefore, the assessee had violated the provisions of Section 13 (1) (d) of the Act. The assessee is, therefore, not entitled for exemption under Section 11 of the Act.

15. Now, we may examine whether the entire income from such an investment made in violation of Section 13 (1) (d) of the Act, which has accrued to the assessee has to be taxed. From perusal of Sections 11 and 13 of the Act, it is evident that the Legislature did not contemplate the benefit of denial of Section 11 of the Act, to the entire income and only the income from an investment made in violation of Section 13 (1) (d) of the Act is liable to tax. The aforesaid view has been taken in **DIT (Exemption) v. Sheth Mafatlal Gagalbahai Foundation Trust** [2001] 114 Taxman 19/249 ITR 533 (Bom.) and in **IT (Exemption) v. Agrim Charan Foundation** [2002] 253 ITR 593 by Bombay and Delhi High Courts respectively. It is pertinent to mention that the aforesaid decisions were relied on by a Division Bench of Karnataka High Court in **Commissioner of Income-Tax and Another v. FR. Mullers Charitable Institutions** [2014] 363 ITR 230 (Kar). We are in respectful agreement with the view expressed by Division Benches of Bombay, Delhi and Karnataka High Courts. It is also pertinent to note that the Special Leave Petition preferred by the Revenue against the decision of Karnataka High Court

in **FR. Muliers Charitable Institutions** (supra) has been dismissed by the Supreme Court in the decision in **M/s. J. Sikile Foundation, Chennai v. DCIT, Exemption-Iii, Chennai** [2014] 51 Taxmann.com 378 (SC).

16. For the aforementioned reasons, the substantial question of law framed in these Appeals is answered by stating that the investment made by the assessee in its joint venture companies is an investment made in violation of Section 11 (5) read with Section 13 (1) (d) of the Act and, therefore, the assessee is not entitled to claim the benefit of exemption under Section 11 of the Act. However, only the income from such an investment made in violation of Section 13 (1) (d) of the Act is liable to tax.

17. To the aforesaid extent, the order passed by the Income Tax Appellate Tribunal in I.T.A.No.680/Hyd/1997 (AY 2002-2003) dated 31.10.2007; and the order dated 31.10.2007 in I.T.A.No.1104/Hyd/2004 (AY 2001-2002); I.T.A.No.663/Hyd/2001 (AY 1998-1999); I.T.A.No.129/Hyd/2001 (AY 1997-1998);

I.T.A.No.1133/Hyd/2003 (AY 2000-2001); I.T.A.No.252/Hyd/2003 (AY 1996-1997); I.T.A.No.254/Hyd/2003 (AY 1999-2000); I.T.A.No.253/Hyd/2003 (AY 1997-1998); and I.T.A.No.326/Hyd/2000 (AY 1996-1997), is modified.

18. In the result, the Appeals are partly allowed.

Miscellaneous petitions, pending if any, shall stand closed.

Sd/- K. SRINIVASA RAO
JOINT REGISTRAR

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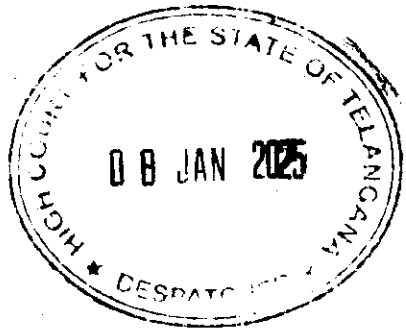
SECTION OFFICER

To,

1. The Income Tax Appellate Tribunal, Bench "B" Hyderabad
2. the Commissioner of Income Tax (Appeals) –II, Hyderabad
3. The Commissioner of Income Tax (Appeals) –IV , Hyderabad
4. The Income Tax Officer, Ward –1 (1) Hyderabad
5. the Income Tax Officer, Ward -40 Hyderabad
6. One CC to SRI. A. V. KRISHNA KOUNDINYA, Advocate [OPUC]
7. One CC to SRI. J. V. PRASAD (Sr. SC FOR INCOME TAX) [OPUC]
8. Two CD Copies

HIGH COURT

DATED:28/11/2024



COMMON JUDGMENT

325, 326, 327 and 328 OF 2007 , 79, 80, 81, 82 and 83 of 2008

ITTA.No.325 of 2007

ALLOIWNG ALL APPEALS ARE PARTLY ALLOWED.

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3/12/24