

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

BEFORE SHRI. ABRAHAM P. GEORGE, ACCOUNTANT MEMBER

AND

SHRI. VIJAYPAL RAO, JUDICIAL MEMBER

I.T.A No.133/Bang/2015
(Assessment Year : 2008-09)

Shri. Prashant Singh,
No.A 603, Celestial Green, No.6,
Old Madras Road, Opp. RMZ Infinity,
Bangalore -560 093 .. Appellant
PAN : ACCPS0141A

v.

Income-tax Officer,
Ward – 7(4), Bangalore .. Respondent

Assessee by : Shri. Mallaharao, Advocate
Revenue by : Shri. Saravanan. B, JCIT

Heard on : 21.03.2015
Pronounced on : 30.03.2015

ORDER

PER ABRAHAM P. GEORGE, ACCOUNTANT MEMBER :

In this appeal filed by assessee directed against an order dt.26.10.2013 of CIT (A) (LTU), Bangalore, it has altogether raised eight grounds of which 1, 6 and 8 are general and seven is consequential needing no specific adjudication.

02. Vide its grounds 2 to 5, grievance raised by the assessee is that loans totaling to Rs.4,75,000/- claimed to have been received by the assessee from one M/s. Tisavi and Mr. Girish Parvatikar, were not accepted by the lower authorities.

03. Facts apropos are that assessee engaged in the business of loan servicing for Deutsche Bank and running a marketing agency of Hutchison Essar had filed its return for the impugned assessment year declaring income of Rs.5,57,060/-. During the course of assessment proceedings it was noted by the AO that assessee had introduced additional capital of Rs.17,26,902/- during the relevant previous year which inter alia included the following amounts :

Sl.no	Date of credit	Amount in Rs.
1.	20.09.2007	1,65,000
2	26.10.2007	1,50,000
3	26.10.2007	60,000
4	10 01.2008	1,00,000
Total		4,75,000

As per the AO assessee could not explain the source for the above credits and an addition of Rs.4,75,000/- was made.

04. Aggrieved assessee moved in appeal before the CIT (A). Explanation of the assessee was that the sum of Rs.4,75,000/- stood

explained as under :

Sl.No.	Date of credit	Amount in Rs.	Source
1	20.09.2007	1,65,000	Loan from Tisavi
2	26.10.2007	1,50,000	- do -
3	26.10.2007	60,000	Transfer from HDFC Bank Account
4	16.01.2008	1,00,000	Loan from Girish

05. CIT (A) observed that assessee could not file confirmations from M/s. Tisavi and Mr. Girish Parvatikar, except for a copy of the ledger account in assessee's name appearing in the books of M/s. Tisavi and a copy of bank account with ICICI bank. Though assessee gave the PAN of M/s. Tisavi which was a proprietorship concern of one Salon Bhatia, as well as the PAN of Girish Parvatikar, CIT (A) noted that assessee was unable to produce the confirmations from the said parties. However with regard to the sum of Rs.60,000/- shown as transfer from HDFC Bank account, CIT (A) noted that it had come from assessee's wife who was an employee with M/s. Texas Instruments in the senior management cadre. Thus he confirmed the addition except for the sum of Rs.60,000/-, dt.26.10.2007.

06. Now before us, Ld. AR strongly assailing the order of lower authorities submitted that it could not obtain the confirmation of the M/s. Tisavi and Mr. Girish Parvatikar, due to reasons beyond its control. As per

the Ld. AR assessee was of the impression that these documents were available and filed. Ld. AR sought admission of additional evidence in the form of confirmation letters and copy of ledger accounts of M/s. Tisavi. An application under Rule 29 of ITAT Rules, 1963, was also filed. According to him, if the additional evidence was not considered, genuine loans taken by the assessee would be considered as his income.

7. Per contra, Ld. DR submitted that assessee was unable to show as to why he could not file confirmation letters before the lower authorities. According to the Ld. DR these additions were justified.

8. We have heard the rival contentions and perused the records. Assessee had explained that the sum of Rs.3,15,000/- had come from M/s. Tisavi and Rs.1 lakh had come from Girish Parvatikar. Assessee had indeed produced some evidence in the form of ICICI bank account of Girish Parvatikar and ledger copy of the assessee appearing in the books of M/s. Tisavi before the CIT (A). CIT (A) had not accepted these because the assessee was unable to produce confirmations from the said parties and also for the reason that the bank account of Girish Parvatikar did not have significant balances therein. Before us assessee pleads for admission of additional evidence in the form of confirmation letters of the concerned

parties. We are of the opinion that in the interest of justice, matter requires a fresh look by the AO. Assessee in our opinion, should be given one more chance for explaining the loans from M/s. Tisavi and Mr. Girish Parvatikar. We therefore set aside the orders of lower authorities and remit these issues back to the file of AO for consideration afresh as per law. Assessee shall be given fair opportunity for filing the details and substantiating its explanation.

9. In the result assessee's appeal is allowed for statistical purpose.

Order pronounced in the open court on 30th day of March, 2016.

Sd/-

(VIJAY PAL RAO)
JUDICIAL MEMBER

Sd/-

(ABRAHAM P GEORGE)
ACCOUNTANT MEMBER