

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई

IN THE INCOME TAX APPELLATE TRIBUNAL

'B' BENCH, CHENNAI

श्रीएन.आर.एस. गणेशन, न्यायिकसदस्य एवं

श्री ए. मोहन अलंकामणी, लेखा सदस्य केसमक्ष

BEFORE SHRI N.R.S. GANESAN, JUDICIAL MEMBER AND
SHRI A. MOHAN ALANKAMONY, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.885/Mds/2016

निर्धारण वर्ष /Assessment Year : 2008-09

Late Karupaiah Ramasamy
(Represented by Legal Heirs),
Smt.Ramahamirtam Karupaiah,
No.2, Harrington Road,
Chennai – 600 031.

v. The Deputy Commissioner of
Income Tax, Corporate Circle 4(2),
Chennai.

[PAN No.AFZPR5167F]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Shri S.Venugopalan, C.A.

प्रत्यर्थीकीओरसे/Respondent by : Shri. M.P.Radhakrishnan, JCIT

सुनवाईकीतारीख/Date of Hearing : 13.06.2016

घोषणाकीतारीख/Date of Pronouncement : 06.09.2016

आदेश / O R D E R

PER N.R.S. GANESAN, JUDICIAL MEMBER:

This appeal of the assessee is directed against the order of CIT (A)-8,
Chennai dated 29.02.2016 and pertains to AY 2008-09.

2. Shri S.Venugopalan, the learned representative for the assessee submitted that the Assessing Officer made addition of Rs.12,77,000/- being the deposit made by the assessee in Savings Bank Account with Indian Bank. According to the learned representative for the assessee, the main source of income of the assessee is only director's remuneration. The director's remuneration was directly deposited by the company in the bank account and the assessee used to withdraw the money to meet his medical and other expenses. The assessee also used to withdraw money from the bank account for meeting some huge expenses. When ever, the money is not required, the assessee used to re-deposit the same in the bank account. Because of advanced age, the assessee was not able to go to the bank as and when required to meet the urgent expenditure. Therefore, he used to withdraw the money in lumpsum. This money withdrawn from the bank was deposited in the Indian Bank. Therefore, the addition made by the AO is not justified.

3. On the contrary, Shri M.P.Radhakrishnan, JCIT submitted that on many occasions, the amounts withdrawn from the bank was deposited on the very same day or the next working day. Referring to the order of CIT (A), more particularly, at page 4, the Id. Representative submitted that whenever the money was deposited in the bank, equal amount was transferred to other account. There was no withdrawal for the month of September 2007 and December 2007. The total net withdrawal for the year under consideration is Rs.2,30,450/-. The amount deposited was Rs.3,50,000/- on 15.06.2007. The assessee has also made another deposit of Rs.1,00,000/-. The assessee has also deposited a sum of Rs.5,00,000/- on 06.03.2007 when the balance in the account was Rs.1,87,959/-. Therefore, the

Assessing Officer rightly found that the cash deposited in the Indian Bank account was income from undisclosed sources.

4. We have considered the rival submissions on either side and also perused the material available on record. The assessee claim before the lower authorities that the cash deposit to the extent of Rs.12,77,000/- on various dates was out of the withdrawal made in the earlier assessment years. The assessee claims that due to advanced age, he used to withdraw huge money for meeting medical and other expenses. Whenever the money is not required, the assessee claims that the same would be re-deposited in the bank. However, no materials are available on record to indicate the amount withdrawn during the earlier assessment years are the deposits made by the assessee in the bank. The CIT (A) has reproduced the transaction between 09.04.2007 to 05.03.2008 in his impugned order, which shows whenever the money was deposited, an equal amount was either transferred or paid to somebody else. There is no indication that the money was withdrawn by the assessee himself.

5. Therefore, this Tribunal is of the considered opinion that the matter needs to be reconsidered. Accordingly, the orders of the lower authorities are set aside and the entire issue is remitted back to the file of the AO. The AO shall re-examine the matter afresh in the light of the materials that may be produced by the assessee and thereafter bring on record the details of the so called cash withdrawn by the assessee from the bank and re-deposit and thereafter decide the same in accordance with law after giving a reasonable opportunity to the assessee.

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

Order pronounced on 06th September, 2016 at Chennai.

Sd/-

(ए. मोहन अलंकामणी)
(A. Mohan Alankamony)
लेखा सदस्य/Accountant Member

Sd/-

(एन.आर.एस. गणेशन)
(N.R.S. Ganesan)
न्यायिक सदस्य/Judicial Member

चेन्नई/Chennai,

दिनांक/Dated, the 06th September, 2016.

sp.

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त (अपील)/CIT(A)
4. आयकर आयुक्त/CIT,
5. विभागीय प्रतिनिधि/DR
6. गार्ड फाईल/GF.