

आयकर अपीलीय अधिकरण, बी / एस एम सी न्यायपीठ, चेन्नई

IN THE INCOME TAX APPELLATE TRIBUNAL

'B' SMC BENCH, CHENNAI

श्री एन.आर.एस. गणेशन, न्यायिक सदस्य के समक्ष

BEFORE SHRI N.R.S. GANESAN, JUDICIAL MEMBER

आयकर अपील सं./ITA No.1533/Chny/2018

निर्धारण वर्ष / Assessment Year : 2009-10

Shri Ramasubbu Rengaraj,
Flat No.32, 3rd floor,
Sriram Nagar, Thalambur Road,
Navalur, Chennai - 600 130.

v. The Income Tax Officer,
Salary Ward – 1(3), Tambaram,
Chennai.

PAN : AACPR 2423 F

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : None

प्रत्यर्थी की ओर से/Respondent by : Shri B. Sagadevan, JCIT

सुनवाई की तारीख/Date of Hearing : 16.10.2018

घोषणा की तारीख/Date of Pronouncement : 24.10.2018

आदेश /O R D E R

This appeal of the assessee is directed against the order of the Commissioner of Income Tax (Appeals) -10, Chennai, dated 27.03.2018 and pertains to assessment year 2009-10.

2. The only issue arises for consideration is with regard to addition of ₹8 lakhs under Section 68 of the Income-tax Act, 1961 (in short 'the Act').

3. The notice of hearing was served on the assessee by RPAD. The Registry has placed on record the postal acknowledgement as proof for service of notice on the assessee. In spite of receipt of the notice, no one appeared for the assessee when the appeal was taken up for hearing. Therefore, I heard the Ld. Departmental Representative and proceeded to dispose the appeal on merit.

4. Shri B. Sagadevan, the Ld. Departmental Representative, submitted that the assessee is an employee of M/s Wipro Technologies Ltd. According to the Ld. D.R., there was a cash deposit made by the assessee in Indian Bank, Sholinganallur Branch, to the extent of ₹20,25,000/- during the year under consideration. The bank account stands in the name of assessee and his wife Smt. Renuga Devi. Initially, according to the Ld. D.R., the assessee claimed that the money was given to him by his friends, namely, Shri Kanagaraj of Trichy and Ms. Vaishnavi of Ambattur. Even though the assessee produced confirmation letters from Shri Kanagaraj and Ms. Vaishnavi, there was no reference in the confirmation letters about the PAN number and source of their income. According to the Ld. D.R., the confirmation letters do not contain even the bank details of the so-called creditors.

Subsequently, the assessee claimed before the Assessing Officer that the money withdrawn by him over a period of time from his ICICI Bank account and the same was deposited in Indian Bank account. According to the Ld. D.R., the assessee also claimed before the Assessing Officer that the agricultural income of his wife was deposited in the bank account. In view of conflicting statements, according to the Ld. D.R., the Assessing Officer made an addition under Section 68 of the Act, which was rightly confirmed by the CIT(Appeals). According to the Ld. D.R., the assessee has not furnished any further evidence before this Tribunal to support the source for making deposit in the bank account.

5. I heard the Ld. Departmental Representative and perused the relevant material available on record. It is not in dispute that there was deposit in the bank account of the assessee to the extent of ₹20,25,000/-. The account admittedly stands jointly in the name of the assessee and his wife Smt. Renuga Devi. Initially, the assessee claimed that the money received from Shri Kanagaraj and Ms. Vaishnavi was deposited in the bank account. Subsequently, he claimed that the money withdrawn over a period of time from ICICI Bank was deposited in the bank account and at one point of time, the assessee claimed that the agricultural income of his wife

was deposited in the bank account. Therefore, there was conflicting statements from the assessee with regard to source of income. The assessee is an employee of M/s Wipro Technologies Ltd. In view of conflicting statements, this Tribunal is of the considered opinion that the Assessing Officer has to ascertain the source of income which was actually deposited in the bank account. The PAN numbers of Shri Kanagaraj and Ms. Vaishnavi were not furnished before the Assessing Officer. In the absence of any details with regard to the source of income either before the lower authorities or before this Tribunal, the matter needs to be re-examined by the Assessing Officer. Accordingly, orders of both the authorities below are set aside and the addition of ₹8 lakhs made under Section 68 of the Act is remitted back to the file of the Assessing Officer. The Assessing Officer shall re-examine the matter in the light of the material that may be filed by the assessee and thereafter decide the issue afresh in accordance with law, after giving a reasonable opportunity to the assessee.

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

Order pronounced in the court on 24th October, 2018 at
Chennai.

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

चेन्नई/Chennai,
दिनांक/Dated, the 24th October, 2018

Kri.

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त (अपील)/CIT(A)-10, Chennai-34
4. Principal CIT-7, Chennai
5. विभागीय प्रतिनिधि/DR
6. गार्ड फाईल/GF.