

आयकर अपीलिय अधिकरण, 'सी' न्यायपीठ, चेन्नई  
IN THE INCOME-TAX APPELLATE TRIBUNAL 'C' BENCH, CHENNAI  
श्री धुव्वुरु आर. एल रेड्डी, न्यायिक सदस्य एवं श्री एस जयरामन, लेखा सदस्य के समक्ष  
Before Shri Duvvuru RL Reddy, Judicial Member &  
Shri S. Jayaraman, Accountant Member

आयकर अपील सं./I.T.A. No.684/Chny/2019  
निर्धारण वर्ष/Assessment Year: 2014-15

Shri Pushpanayagam Ashwin Bharath,  
No.3, 3<sup>rd</sup> East Street,  
Kamarajar Nagar, Thiruvanmiyur,  
Chennai - 600 041.

The Assistant Commissioner of  
Income Tax,  
Non-Corporate Circle-15(1),  
Chennai.

**[PAN: ABGPA 3165M]**

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri S.R. Raaman, CA  
प्रत्यर्थी की ओर से/Respondent by : Shri R. Clement Ramesh Kumar, Addl.CIT  
सुनवाई की तारीख/ Date of hearing : 04.07.2019  
घोषणा की तारीख /Date of Pronouncement : 19.07.2019

**आदेश / O R D E R**

**PER DUVVURU RL REDDY, JUDICIAL MEMBER:**

This appeal filed by the assessee is directed against the order of the Id. Commissioner of Income Tax (Appeals)-16, Chennai, dated 03.12.2018 relevant to the assessment year 2014-15. The ground raised by the assessee is that the Id. CIT(A) has erred in confirming the addition made towards unexplained gifts and unexplained unsecured loans received by the assessee.

2. Brief facts of the case are that the assessee filed its return of income for the assessment year 2014-15 on 08.05.2015 declaring income of ₹. 31,09,590/-. The return filed by the assessee was processed under section 143(1) of the Income Tax Act, 1961 ["Act" in short]. Subsequently, the case of the assessee was taken up for scrutiny. After considering the details filed against statutory notices, the assessment under section 143(3) of the Act was completed by assessing income of the assessee at ₹. 1,10,67,802/- by making various additions.

3. The assessee carried the matter in appeal and contested against addition towards unsecured loan as well as gifts treated as income in the hands of the assessee. Despite service of notice, none appeared on behalf of the assessee. Hence, considering the facts of the case and materials available on record, the Id. CIT(A) proceeded to adjudicate the issues on merits and decided the appeal against the assessee.

4. On being aggrieved, the assessee is in appeal before the Tribunal. By filing a petition for admission of additional evidence, the Id. Counsel for the assessee has submitted that the additions were made by the Assessing Officer without giving sufficient opportunity to the assessee since the assessee is an NRI and the time given was not sufficient for him to prove his case before the authorities below.

5. On the other hand, the Id. DR relied on the orders of authorities below.

6. We have heard both the sides, perused the materials available on record and gone through the orders of authorities below. From the details filed by the assessee, the Assessing Officer noticed that the assessee has received gifts and availed unsecured loan from his close relatives to avoid payment of interest on interest bearing loan from any financial institutions. Accordingly, the Assessing Officer determined the unexplained gifts of ₹. 38,00,000/- and unexplained unsecured loans of ₹. 40,00,000/-. During the course of appellate proceedings, the assessee could not furnish confirmation letters with respect to the gifts and the unsecured loans. Moreover, since, the assessee has not furnished any other material on record like the returns of income or PAN numbers or the bank accounts of the persons from whom he had received the gifts and unsecured loans etc., the Id. CIT(A) upheld the addition. Before the Bench, the Id. Counsel for the assessee filed a petition for admission of additional evidence enclosing confirmation from various investors, containing payment details with address, which were not filed before the authorities below. Accordingly, we remit the matter back to the file of the Assessing Officer to verify the details and decide both the issues afresh in accordance with law after allowing an opportunity of being heard to the assessee.

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

Order pronounced on the 19<sup>th</sup> July, 2019 in Chennai.

Sd/-  
(S. JAYARAMAN)  
ACCOUNTANT MEMBER

Sd/-  
(DUVVURU RL REDDY)  
JUDICIAL MEMBER

Chennai, Dated, 19.07.2019

Vm/-

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.