

आयकर अपीलीय 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 AND
SHRI S. JAYARAMAN, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.640/Chny/2019

निर्धारण वर्ष /Assessment Year: 2015-16

Shri R. Dorairaj,
Gokulam # 1, GRK Estate,
Imperial Road, Thiruppapuliur,
Cuddalore – 607 001.

Vs. The Asst. Commissioner of
Income Tax,
Cuddalore Circle,
Soorappanaicken Chavadi,
Cuddalore – 607 002.

[PAN: ACMPD 1216B]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by
प्रत्यर्थी की ओर से /Respondent by

: Shri Anandd Babunath, FCA
: Shri R. Clement Ramesh Kumar,
Addl.JCIT

सुनवाई की तारीख/Date of Hearing

: 08.07.2019

घोषणा की तारीख /Date of Pronouncement

: 03.10.2019

आदेश / O R D E R

PER SHRI S. JAYARAMAN, ACCOUNTANT MEMBER:

The Assessee filed this appeal against the order of the
Commissioner of Income Tax (Appeals), Puducherry, in ITA
No.58/CIT(A)-PDY/2017-18 dated 25.02.2019 for the assessment year
(AY) 2015-16.

2. R. Dorairaj, the assessee, is an individual deriving income from Salary as Managing Director from GRK Theatre Pvt. Ltd., income from House Properties, income from business as Proprietor of M/s. Garudalaya Surface Transport (Bus operation income), M/s. Rasi Agencies (Dealer of Indian Oil running a Petrol Pump) and M/s. GRK ARIA Movies (dealing in movie rights) & as partner of M/s. GRK Castrol, and income from other sources. While making the assessment for AY 2015-16, the Assessing Officer (AO) after affording adequate opportunity to the assessee added unsecured loan of Rs. 1,75,50,000/- standing in the name of Mr. Muthu and Mrs. Prema G and completed the assessment. Aggrieved against the order of the AO, the assessee filed an appeal before CIT(A). The Id. CIT(A) dismissed the appeal. Aggrieved against that order of the Id. CIT(A), the assessee filed this appeal.

3. The Id. Authorized Representative submitted that when the AO recorded the statement from Mrs. Prema G, she confirmed the repayment made to Mr. R.Dorairaj, the assessee. Unfortunately, the loan which was provided from the private limited company in which Mr. R. Dorairaj was a Managing Director is not properly enquired into. The assessee engaged a finance agent, Mr. Muthu, through him unsecured loan of Rs. 1,58,50,000/- was received through various persons on

various dates through banking channel and they were credited in the bank account of the assessee maintained with Indian Overseas Bank, Pudupalayam Branch, Cuddalore. Inviting our attention to the paper book, the Id. AR submitted that the date of deposits the amount received, the name of the party/lender/issuer of cheque, and when it was deposited into the assessee's bank account etc. submitted that the impugned sums were transferred from different banks from Cuddalore, Thanjavur and Trichy etc. since, the assessee had maintained these receipts in the name of Mr. Muthu, the finance agent, who arranged the above loans from different lenders, for easy identification and proper accounting these were kept in the name of finance agent, Mr. Muthu, in the accounts. These loans were repaid during the year from the assessee's bank account to the extent of 50 lakhs. The Id. AR invited our attention to the paper book, wherein the amounts paid to some of the parties through banking account after debiting bank charges etc. were mentioned. It is submitted that the assessee has deputed a person to obtain the assessment particulars from these loan creditors and it is expected shortly as it is pertains to Financial Year 2014-15. Since, the finance agent being not traceable and also not in good terms when he completed the transactions with the assessee, there is delay in obtaining confirmation and the assessment particulars. Therefore, the Id. AR

pleaded that an opportunity may kindly be given to the assessee for furnishing such a particulars before the AO so that the AO after due confirmation and verification of details that would be submitted by the assessee either allow the claim/make the addition on merits in the case of each of such a creditor. Per contra, the Id. DR supported the orders of the lower authorities.

4. We heard the rival submissions and gone through the relevant material on record. Since, the assessee is pleading that the finance agent, who arranged the loans is not being traceable and he is also not in good terms after the completion of the transactions with the assessee and the assessee is willing to obtain the assessment particulars from these loan creditors or furnish confirmation letters, as the case may be, we deem it fit to remit the issues in this appeal back to the AO for a fresh examination. The assessee shall furnish the confirmation letters or the assessment particulars and other relevant records on which it relies in support of its contention before the AO **within 90 days from the receipt of this order** and comply with requirements of the AO in accordance with law. The AO is also at liberty to conduct appropriate enquiry, as deemed fit. However, he shall furnish adequate opportunity to the assessee on the material etc. that is to used against the assessee and after considering assessee's reply, pass the order in accordance with

law. The assessee's appeal is treated as partly allowed for statistical purpose.

5. In the result, the appeal filed by the assessee is treated as partly allowed for statistical purpose.

Order pronounced in the open Court on 03rd October, 2019 in Chennai.

Sd/-

(धुव्वुरु आर.एल रेड्डी)
(DUVVURU RL REDDY)

न्यायिक सदस्य/JUDICIAL MEMBER

Sd/-

(एस. जयरामन)
(S. JAYARAMAN)

लेखा सदस्य /ACCOUNTANT MEMBER

चेन्नई/Chennai, दिनांक/Dated: 03rd October, 2019.

EDN, Sr. P.S

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