

**IN THE INCOME TAX APPELLATE TRIBUNAL 'B' BENCH: CHENNAI
(CAMP AT COIMBATORE)**

श्रीएन.आर.एस. गणेशन, न्यायिकसदस्यएवंश्रीएसजयरामन, लेखासदस्यकेसमक्ष
**BEFORE SHRIN.R.S. GANESAN, JUDICIAL MEMBER AND
SHRI S. JAYARAMAN, ACCOUNTANT MEMBER**

**आयकरअपीलसं./I.T.A.No.2272/Chny/2016
(निर्धारणवर्ष / Assessment Year: 2011-12)**

M/s. A-Team Information The Income Tax Officer,
Technology Ltd., Ward -1(4),
No.121/122, SKS Building, Vs Erode.
Perundurai Road,
Erode.
PAN: AAECA 5449C

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

**आयकर अपीलसं./I.T.A.Nos.1891 & 1892/Chny/2016
&**

C.O.No.114 & 115/Chny/2016

(निर्धारण वर्ष / Assessment Years: 2011-12 & 2012-13)

The Income Tax Officer, M/s. A-Team Information
Ward -1(4), Technology Ltd.,
Erode. Vs No.121/122, SKS Building,
Perundurai Road,
Erode.
PAN: AAECA 5449C

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent/Cross
Objector)

अपीलार्थीकीओरसे/ Assessee by : Shri K.Venkatesh, Advocate
प्रत्यर्थीकीओरसे/Revenue by : Shri S.Bharath, CIT

सुनवाईकीतारीख/Date of hearing : 06.02.2020
घोषणाकीतारीख /Date of Pronouncement : 06.02.2020

आदेश / O R D E R**PER BENCH:**

Both the assessee and Revenue filed the appeals against the orders passed by the Commissioner of Income Tax (Appeals)-3, Coimbatore dated 16.03.2016 & 31.03.2016 for the Assessment Years (AYs) 2011-12 & 2012-13 respectively. The assessee has also filed cross-objections against the very same order of the CIT(A). Therefore, we heard all the appeals and the cross-objections together and disposing of the same by this common order.

2. For both the AYs, the assessee could not produce any evidence to substantiate the unsecure loan and the credits found in the books of account before the Assessing Officer (AO). Therefore, the Ld. Counsel for the assessee submitted before this Tribunal that the matter may be remitted back to the file of AO for re-consideration so that the assessee can file the necessary evidence before the AO. For the AY 2011-12, the Ld. Departmental Representative submitted that there was no valuation of the asset before the present company took over the asset therefore, the assessee has to establish that there was a value for the goodwill. Moreover, depreciation on the software also needs to be established before the AO by providing necessary materials. The assessee has also

filed an appeal with regard to disallowance made by the AO towards unsecured loan for the AY 2011-12. The Ld. Counsel for the assessee submitted that due to heavy loss, one of the Director committed suicide and the assessee-company is not doing any business now.

3. Having heard the Ld. Counsel for the assessee and the Ld. Departmental Representative, this Tribunal is of the considered opinion that the assessee has to produce necessary material with regard to software on which the depreciation was claimed. The assessee has also needs to establish the unsecured loan for the AY 2011-12. In view of above, giving one more opportunity to the assessee may not prejudice to the interest of both the parties. Accordingly, the orders of both the authorities below are set aside and the entire issue raised for consideration before this Tribunal is remitted back to the file of AO.

4. For the AY 2012-13, the Ld. Counsel claims that a confirmation letter was filed from Redington (India) Ltd. before the AO. However, he failed to consider the same. In respect of other two companies namely M/s. Sri ACL Infosys and RK Tech (India) Pvt. Ltd., the assessee is willing to file necessary material before the AO. In view of the above, this Tribunal is of the considered opinion that the assessee has to re-compute

the difference in the books of account by producing the necessary material. Accordingly, the orders of both the authorities below for AY 2012-13 are also set aside and the entire issue shall re-examined by the AO afresh in the light of the material that may be filed by the assessee in accordance with law after giving a reasonable opportunity to the assessee.

5. In the result, all the appeals and cross objections filed by the assessee as well as Revenue stand allowed for statistical purpose.

*Order pronounced in the open court on 06th February, 2020 at Chennai
(Camp at Coimbatore).*

Sd/-

(एस. जयरामन)

(S. JAYARAMAN)

लेखासदस्य /ACCOUNTANT MEMBER

चेन्नई/Chennai,

दिनांक/Dated, the 06th February, 2020.

EDN, Sr. PS

Sd/-

(एन.आर.एस. गणेशन)

(N.R.S. GANESAN)

न्यायिक सदस्य/JUDICIAL MEMBER

आदेशकीप्रतिलिपिअग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त (अपील)/CIT(A)
4. आयकरआयुक्त/CIT
5. विभागीयप्रतिनिधि/DR
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