

IN THE INCOME TAX APPELLATE TRIBUNAL  
HYDERABAD BENCH "A", HYDERABAD

BEFORE SMT. P. MADHAVI DEVI, JUDICIAL MEMBER  
AND  
SHRI A. MOHAN ALANKAMONY, ACCOUNTANT MEMBER

ITA No.567/Hyd/2018		
Assessment Year: 2013-14		
Surender Mailala, Hyderabad. PAN: ADYPM 2579 F	Vs.	Income Tax Officer, Ward-9(2), Hyderabad.
(Appellant)		(Respondent)
Assessee by:	Sri A. Srinivas	
Revenue by:	Sri Ravi Babu, DR	
Date of hearing:	10/06/2020	
Date of pronouncement:	16/06/2020	

ORDER

PER A. MOHAN ALANKAMONY, AM.:

This appeal is filed by the assessee against the order of the Ld. CIT(A)-7, Hyderabad in appeal No.0085/CIT(A)-7/2016-17, dated 22/01/2018 passed U/s. 144 r.w.s. 250(6) of the Act for the A.Y. 2013-14.

2. The assessee has raised the following grounds in his appeal:

- (i) *The order of the Appellate Commissioner is contrary to law, facts & Circumstances of the case.*
- (ii) *The Appellate Commissioner erred in confirming the addition of Rs. 16,14,310/- as made by the AO as unexplained credits U/s. 68.*
- (iii) *The appellate Commissioner ought to have seen that an amount of Rs. 16,00,000 pertained to a loan availed by the assessee and*

*was included in the credits, while calculating the peak credit and thus should have deleted the addition made U/s. 68.*

- (iv) The appellate Commissioner erred in confirming the disallowance of the claim of Rs. 1,00,000 made U/s. 80C.*
- (v) The appellate Commissioner erred in confirming the disallowance of the claim of loss on House Property amounting to Rs. 60,784 as claimed.*
- (vi) Any other grounds which the appellant may urge either at or before the date of hearing.”*

3. Brief facts of the case are that the assessee is an individual engaged in business filed his return of income for the relevant AY on 19/3/2014 declaring total income of Rs. 4,07,300. Thereafter the case was selected for scrutiny through CASS. During the course of scrutiny assessment, it was observed that the assessee had deposited cash in his bank account on various dates. Since the assessee had not provided the details of the bank deposits, the Ld. AO made addition by adopting peak credit method u/s. 68 of the Act for Rs. 18,14,310 by passing an ex-parte order. On appeal before the Ld. CIT (A), the assessee had claimed that he had received an amount of Rs. 16 lakhs on 05/12/2012 as bank loan which was taken into account for the purpose of peak credit by the Ld. AO. It was therefore pleaded that the amount of Rs. 16 lakh credited in the assessee's bank account should be excluded while computing the peak credit. However, since the assessee did not provide any particulars of the bank loan received by him, the Ld. CIT (A) rejected his explanation and confirmed the order of the Ld. AO, aggrieved by which the assessee is in appeal before us.

4. This appeal is heard through video conferencing. At the outset, the Ld. AR submitted that he had filed the evidence for obtaining the bank loan of Rs. 16 lakhs before the Tribunal for the first time and pleaded that the same may be excluded for the purpose of computing peak credit. The Ld. DR submitted that the matter may be remitted back to the Ld. AO for verification of the bank loan obtained by the assessee.

5. After hearing both sides, we are of the view that the additional evidence submitted by the assessee is required to be verified by the Ld. AO. Accordingly, we hereby remit the matter back to the file of Ld. AO in order to verify whether the assessee had obtained the bank loan of Rs. 16 lakhs and if the same is taken for the purpose of computing the peak credit then we hereby further direct the Ld.AO to exclude the same while computing the peak cred and if it is found otherwise pass appropriate order in accordance with law and merit.

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

Pronounced in the open Court on 16<sup>th</sup> June, 2020.

Sd/-  
(P. MADHAVI DEVI)  
JUDICIAL MEMBER

Sd/-  
(A. MOHAN ALANKAMONY)  
ACCOUNTANT MEMBER

Hyderabad, Dated: 16<sup>th</sup> June, 2020.  
OKK

Copy to:-

- 1) Sri Surender Mailala, H.No.8-9-40/47, Sri Datta Nagar,  
Kanchanbagh, Midhani, Hyderabad – 500 059.
- 2) Income Tax Officer, Ward-9(2), Hyderabad.
- 3) The CIT(A)--7, Hyderabad
- 4) The Pr. CIT-7, Hyderabad
- 5) The DR, ITAT, Hyderabad
- 6) Guard File