

आयकर अपीलीय अधिकरण, “ए” न्यायपीठ, चेन्नई
IN THE INCOME-TAX APPELLATE TRIBUNAL ‘A’ 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. 698/Chny/2014
निर्धारण वर्ष/Assessment Year: 2009-10

Shri S. Suresh Ramachandran,
13/2, Shri Nivas, Ponnusamy Nagar,
Seeranaickenpalayam,
Coimbatore 641 007
[PAN:ACFPR3299D]

Vs. The Assistant Commissioner of
Income Tax,
Salary Circle I, Coimbatore 641007.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri S. Sridhar, Advocate
प्रत्यर्थी की ओर से/Respondent by : Ms. R. Anita, Addl. CIT
सुनवाई की तारीख/ Date of hearing : 06.09.2021
घोषणा की तारीख /Date of Pronouncement : 16.09.2021

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) 1, Coimbatore, dated 03.01.2014 relevant to the assessment year 2009-10. The assessee has raised the following grounds in his appeal:

- 1. The order of Commissioner of Income Tax (Appeals) - I, Coimbatore in so far as against the order of the appellant is contrary to the facts, erroneous and against the principles of law and natural justice.*
- 2. The learned Assessing officer had erred in assessing the cash deposits on 02.07.2008 (Rs.2,00,000), 22.08.2008 (Rs.5,00,000) and 03.10.2008 (Rs.9,00,000) as Income. The learned CIT(A)-I*

had erred in confirming the additions towards the cash deposits on 02.07.2008 (Rs.2,00,000), 22.08.2008 (Rs.5,00,000) as income.

3. *The Learned CIT(A)-I had acknowledged the fact that the assessee had sold a property during the Asst year for a sum of Rs.14,25,000/-. The document conveying the property was registered on 29.09.2008. The entire sale consideration of Rs.14,25,000 was received in cash. The assertion of the learned CIT(A)-I that the sale consideration as per the document was received only on the date of execution of the deed i.e.29.09.2008 is not correct and is devoid of the facts.*
4. *The Learned CIT(A)-I had failed to appreciate the fact that the appellant was employed during the AY 2009-10 on a full time basis with Reliance General Insurance Company Limited and the fact that the appellant had duly returned the income from the head Capital Gains in his return of Income for the AY 2009-10 arising from the sale of the said property. The Learned CIT(A)-I too had failed to comprehend the fact that appellant had no other source of income as he was in full time employment.*
5. *The learned CIT(A)-I had relied on a general/ standard clause in the sale agreement to confirm the addition of Rs.5,00,000. The Learned CIT(A)-I ought to have verified the facts instead. No verification was made from the purchaser of the property Mr. Chandrasekaran to confirm the date of payments made by him and to ascertain whether the same corresponds with the dates of cash deposits by the buyer (appellant).*
6. *The learned CIT(A)-I had erred in confirming the additions of Rs.2,00,000 representing the cash deposits made on 02.07.2008 out of own cash on hand despite the fact that the appellant was a salaried employee and was earning about Rs.85000 per month as salary. The bank statement was submitted during the course of assessment to prove the cash withdrawals of the appellant there from during the AY 2008-09 & 2009-10. This was failed even to be considered.*

For these reasons and other reasons that may be adduced at the time of hearing, the appellant prays that this Hon'ble Tribunal may

please set aside the order of the CIT(A)-I or pass such other orders as this Hon'ble Tribunal may deem fit.”

2. Vide order in M.P. No. 207/Chny/2017 dated 09.04.2021, the exparte order of the Tribunal in I.T.A. No. 698/Chny/2014 dated 08.04.2015 has been recalled and admitted for adjudication.

3. Brief facts leading to the confirmation of addition towards the cash deposits of ₹.2,00,000/- on 02.07.2008 and ₹.5,00,000/- on 22.08.2008 are that during the course of appellate proceedings, the assessee filed the copy of sale deed dated 29.09.2008 for registration of property at Plot No. 8, Bharani Colony, Saligramam, Chennai, which was sold to Shri P. Chandrasekar, S/o Mr. Paulraj for ₹.14,25,000/-. The registered document shows that a sum of ₹.14,25,000/- was paid by the purchaser to the vendor at the time of execution of the registered deed. Taking these registered document into consideration, the cash deposit of ₹.9,00,000/- on 03.10.2008 by the assessee was accepted. Regarding the cash deposits of ₹.2,00,000/- on 02.07.2008 and ₹.5,00,000/- on 22.08.2008, the assessee could not furnish necessary evidences before the Id. CIT(A). Therefore, the Id. CIT(A) confirmed the addition towards cash deposits of ₹.2,00,000/- and ₹.5,00,000/-.

4. On being aggrieved, the assessee is in appeal before the Tribunal.

5. We have heard both the sides, perused the materials available on record and gone through the orders of authorities below including paper book filed by the assessee. During the assessment year 2009-10, the assessee was employed on full time basis with Reliance General Insurance Company Limited and the assessee has returned the income from the head capital gains arising from the sale of the property. With regard to the addition of ₹.5,00,000/-, by filing copy of the bank statement of the HDFC Bank account of the assessee, the Id. Counsel for the assessee has submitted that cash was deposited by the purchaser of the property at Chennai and the assessee has no other source of income being a salaried-employee. Regarding the deposit of ₹.2,00,000/-, the Id. Counsel for the assessee has submitted that the cash deposit made on 02.07.2008 was out of own cash on hand, which was withdrawn 21 days before and redeposited on 02.07.2008 and prayed for deleting both the additions. The assessee was working as a Chief Manager with Reliance General Insurance Company Limited and was earning about ₹.85,000/- per month as salary and it is an admitted fact that the assessee had no other source of income other than capital gains income already admitted in the return of income. Thus, considering the submissions of the Id. Counsel and after verification of the bank statement of assessee, the additions towards the cash deposits of ₹.2,00,000/- on 02.07.2008 and ₹.5,00,000/- on 22.08.2008 confirmed by the

Id. CIT(A) stand deleted. Accordingly, the grounds raised by the assessee are allowed.

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

Order pronounced on the 16th September, 2021 in Chennai.

Sd/-
(S. JAYARAMAN)
ACCOUNTANT MEMBER

Sd/-
(DUVVURU RL REDDY)
JUDICIAL MEMBER

Chennai, Dated, 16.09.2021

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.