

आयकर अपीलीय अधिकरण 'ए' न्यायपीठ चेन्नई में।
IN THE INCOME TAX APPELLATE TRIBUNAL
"A" BENCH, CHENNAI

माननीय श्री वी. दुर्गा राव, न्यायिक सदस्य एवं
माननीय श्री मनोज कुमार अग्रवाल, लेखा सदस्य के समक्ष।
BEFORE HON'BLE SHRI V. DURGA RAO, JUDICIAL MEMBER AND
HON'BLE SHRI MANOJ KUMAR AGGARWAL, AM

आयकर अपील सं./ **ITA No.946/Chny/2020**
(निर्धारण वर्ष / **Assessment Year: 2017-18**)

G. Ramesh No. 39, Thuraiyur Road, Musiri, Trichy District, Tamil Nadu 621 211.	बनाम/ Vs.	ITO, Ward 1(1), Trichy.
स्थायी लेखा सं./जीआइ आर सं./PAN/GIR No. AHPPR-4640-H		
(□ पीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थी की ओरसे/ Appellant by	:	None
प्रत्यर्थी की ओरसे/ Respondent by	:	Shri ARV Sreenivasan (Addl. CIT) – Ld. DR

सुनवाई की तारीख/ Date of Hearing	:	25-04-2022
घोषणा की तारीख / Date of Pronouncement	:	25-04-2022

आदेश / ORDER

Manoj Kumar Aggarwal (Accountant Member)

1. Aforesaid appeal by assessee for Assessment Year (AY) 2017-18 arises out of the order of learned Commissioner of Income Tax (Appeals)-1, Trichy [CIT(A)] dated 25.09.2020 in the matter of assessment framed by Ld. Assessing Officer [AO] u/s.144 of the Act on 27.11.2019. The grounds taken by the assessee read as under:

1. The order of the learned CIT (A)-1, Trichy is opposed to law and facts.

2. The learned CIT (A)-1 erred in not fully taking into account the remand report of the Assessing officer wherein the AO has concluded that the entire cash deposits of Rs.4,41,12,520/- as accounted in the audited financial statements are supported by the books of accounts and other documents produced before the AO during the course of appellate proceedings.
3. The Learned CIT (A)-1 has failed to appreciate the fact that the entire cash deposits made in bank accounts are being explained as out of sale proceeds of the business of the appellant.
4. The Learned CIT (A)-1 has erred in not relying that the cash deposited in SBNs during the demonetisation period were also explained to the AO by the appellant that they were made out of sales proceeds of the business of the appellant.
5. The Learned CIT (A)-1 has erred and misconceived that the appellant has not explained the sources of the cash deposited of Rs.33,66,000/- during the demonetisation period.
6. The Learned has failed to appreciate the fact that once the entire cash deposit made in the bank accounts during the FY 2016-17 are explained, it itself proves that the cash deposited during the demonetization period of 8th Nov to 30th December 2016 is also explained.
7. The Learned CIT has erred in not relying on the VAT returns filed by the appellant.
8. The learned CIT has erred in not relying on the books of accounts, VAT returns, bank statements, audit report filed etc., even though the income tax return was filed belatedly by the appellant.
9. For these and other grounds that may be adduced later it is prayed that the addition of Rs.33,66,000/- may be deleted and justice rendered.

As evident, the assessee is aggrieved by confirming an addition of Rs.33.66 Lacs. At the time of hearing, none appeared for assessee and no valid adjournment application on record. On last occasion also, none appeared for assessee. Left with no option, we proceed to dispose-off the appeal on the basis of merits on record.

2. The assessee being resident individual is stated to be engaged as grocery merchant under proprietary concern name M/s. Sathyam Stores. During assessment proceedings, it transpired that the assessee deposited an amount of Rs.448.92 Lacs in bank account. In the absence of any satisfactory explanation forthcoming from the assessee, the assessment was framed on best judgment basis u/s. 144 of the Act on 27.11.2019 and the deposits were added as an unexplained money u/s. 69A of the Act. It was noted that no return of income was filed by the assessee for this year.

3. During appellate proceedings, it transpired that the assessee filed return of income after completion of assessment. Keeping in view the submissions made by the assessee, a remand report was called from Ld. AO wherein it was submitted that the sales and cash deposited by the assessee were supported by books of accounts. However, Ld. CIT(A) held that there was no clarity or justification of cash deposited by the assessee during demonetized period. Therefore, the amount of Rs.33.66 Lacs was held to unexplained and the addition was upheld. Aggrieved, the assessee is in further appeal before us.

4. After going through the impugned order, we find that the assessee could not explain or justify the cash deposit during demonetized period. Therefore, the addition as sustained by Ld. CIT(A) could not be faulted with.

5. The appeal stand dismissed.

Order pronounced on 25th April, 2022.

Sd/-
(V. DURGA RAO)
न्यायिक सदस्य / JUDICIAL MEMBER

Sd/-
(MANOJ KUMAR AGGARWAL)
लेखक सदस्य / ACCOUNTANT MEMBER

चेन्नई / Chennai; दिनांक / Dated : 25-04-2022

JPV

आदेश की प्रतिलिपि ँ ग्रेषित/Copy of the Order forwarded 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