

आयकर अपीलीय अधिकरण 'बी' न्यायपीठ चेन्नई में।
IN THE INCOME TAX APPELLATE TRIBUNAL
'B' BENCH, CHENNAI

माजनीय श्री मनोज कुमार अग्रवाल, लेखक सदस्य एवं
माजनीय श्री संजय शर्मा, न्यायिक सदस्य के समक्ष।
BEFORE HON'BLE SHRI MANOJ KUMAR AGGARWAL, AM AND
HON'BLE SHRI SONJOY SARMA, JUDICIAL MEMBER

आयकर अपील सं./ ITA Nos.613, 614 & 615/Chny/2022
(निर्धारण वर्ष / Assessment Years: 2014-15, 2015-16 & 2016-17)

Shri S. Manoharan G-3, Saratha Krupa Appt., No.55 (Old 47), Naidu Road, Sivananda Colony, Coimbatore – 641 012.	बनाम/ Vs.	DCIT Central Circle-2, Coimbatore.
स्थायी लेखा सं./जीआइ आर सं./PAN/GIR No. AEDPM-7539-R		
(पीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थी की ओरसे/ Assessee by	:	Shri N. Arjunraj (C.A) for Shri S. Sridhar, (Advocate)-Ld. ARs
प्रत्यर्थी की ओरसे/ Revenue by	:	Shri Guru Bashyam (CIT) –Ld. DR
सुनवाई की तारीख/ Date of Hearing	:	25-08-2022
घोषणा की तारीख / Date of Pronouncement	:	25-08-2022

आदेश / ORDER

Per Bench:

1. Aforesaid appeals by assessee for Assessment Years (AYs) 2014-15, 2015-16 & 2016-17 arises out of the common order passed by learned Commissioner of Income Tax (Appeals)-19, Chennai [CIT(A)] dated 11-07-2022 in the matter of penalty levied by Ld. AO u/s 271(1)(c) vide separate orders. The penalty arises out of common facts. The assessment for all the years has been framed by Ld. Assessing Officer [AO] u/s.153C r.w.s 143(3).

2. The Ld. AR advanced arguments to submit that penalty could not be levied on estimated additions of rental income. The Ld. CIT-DR controverted the same and submitted that the additions are admitted additions which are based on seized documents which indicated receipt of rental income by the assessee. Having heard rival submissions, our adjudication would be as under.

3. The assessee was subjected to an assessment u/s 153C pursuant to search action in the case of M/s Grambles Consultancy Services Pvt. Ltd. In the seized documents, rent receipts for financial years 2018-19 and 2019-20 was found in loose sheets. It transpired that the assessee had purchased two properties in the name of her wife in earlier years which were reflected in the return of income but the rental income received from the property was not admitted while filing the return of income. The assessee admitted yearly rental income of Rs.2.40 Lacs as unaccounted rental income for this year and the same was added to assessee's income.

4. Meanwhile, penalty proceeding were initiated u/s 271(1)(c) for filing inaccurate particulars of income. The assessee defended its stand on the ground that no rental income was received for financial years 2013-14 since the premise was kept vacant for renovation. The assessee agreed to estimated addition only to buy peace with the department. The assessee also submitted that the loose sheets contained cash receipts / cash payments pertaining to period from 07.04.2016 to 14.04.2019 only and there was no details of rent receipts for this year. However, rejecting the same, Ld. AO levied penalty @100% on amount of tax sought to be evaded by the assessee. The Ld. CIT(A) confirmed the same, inter-alia, on the ground that the

additions were not estimated additions. The adjudication is common for all the years. Aggrieved, the assessee is in further appeal before us.

5. From the factual matrix, it could be seen that the loose sheet which has led to the addition in the hands of the assessee pertain to period from 07.04.2016 to 14.04.2019 only and there is no document evidencing receipt of rental payment by the assessee for this year. There is no finding by Ld. AO that the amount was actually received by the assessee from any party. These are merely agreed estimated additions. Accordingly, no case of concealment or furnishing of inaccurate particulars of income could be made out against the assessee. We are of the considered opinion that estimated additions do not call for levy of penalty. Therefore, by deleting the impugned penalties for all the years, we allow the appeals of the assessee.

6. All the appeals stand allowed.

Order pronounced on 25th August, 2022.

Sd/-
(SONJOY SARMA)
न्यायिक सदस्य / JUDICIAL MEMBER

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

चेन्नई / Chennai; दिनांक / Dated : 25-08-2022
EDN/-

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