

IN THE INCOME TAX APPELLATE TRIBUNAL
“SMC” BENCH, MUMBAI
BEFORE SHRI BASKARAN BR, ACCOUNTANT MEMBER &
SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER

ITA No. 1546/Mum/2022

(A.Y: 2017-18)

Arif Ansari Room No. 1, Prakar Wadi, LJ Road, Patra Chawl, Mahim, Mumbai 400016	Vs.	ITO, Ward-22(1)(6) Room No.108, 1 st Floor, Piramal Chamber, Lal Baug, Parel, Mumbai- 400012.
PAN/GIR No. : AABPA0047Q		
Appellant	..	Respondent

Appellant by :	Mr.Mohammed Khan.AR
Respondent by :	Mr. R.P .Veena.DR

Date of Hearing	24.08.2022
Date of Pronouncement	29.08.2022

आदेश / O R D E R

PER PAVAN KUMAR GADALE JM:

The assessee has filed the appeal against the order of the CIT(A)-National Faceless Appeal Centre (NFAC), Delhi passed u/s 144 and 250 of the Act. The assessee has raised the following grounds of appeal.

- 1. The Hon'ble CIT(A), NFAC seriously erred in law and on the facts and in the circumstances of the case in:*

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a. Not Granting Credit for Pre-paid taxes of Rs. 1,00,000/- being advance tax paid as under, in spite of reporting in Form No. 26AS and filing of receipted Challans:

<i>Date of Payment</i>	<i>Amount</i>
12.09.2016	Rs. 30,000
15.12.2016	Rs. 30,000
24.03.2016	Rs. 40,000
<i>Total</i>	<i>Rs. 1,00,000</i>

Direction may be issued to grant full and proper credit for the entire pre paid taxes of Rs. 1,00,000/- being advance tax paid after due verification of records.

b. Not granting admissible deduction under Chapter VI-A of the Act , in spite of filing documentary evidence thereof as under:

1. U/s 80C-LIC Premium paid Rs. 1,50,000 LIC Premium Paid receipts / Bank Statement evidencing Payment.
2. U/s80D-Medicaid Premium paid, Rs. 24,438 Medical Premium Paid Receipt / Bank Statement evidencing Payment.

Direction may be issued to grant full and proper credit for the entire admissible deduction claimed of Rs. 1,78,438/-

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after due verification of records and supporting documentary evidences.

2. Your appellant denies any liability on account of interest charged u/s 234A and 234B of the Act. Consequential relief be granted.

2. The brief facts of the case are that the assessee is an individual and engaged in the business of running a medical store / pharmacy store in the name and style of M/s Mama Medical & General Stores. The assessee has filed the return of income for the A.Y 2017-18 disclosing a total income of Rs.8,57,290/- on 19-01-2019 and the case was selected for scrutiny and the Assessing Officer(A.O.) found that the assessee has filed the invalid return of income. Subsequently notice u/s 142(1) of the Act was issued. In compliance to the notice the assessee has filed the information online. Whereas the A.O. on the basis of information Operation Clean Money (OCM) of Income Tax department gathered list of assesseees who has deposited the cash in the bank accounts during the demonetization period from 09.11.2016 to 30.12.2016. The A.O found that the assessee has not explained the sources of cash

deposits made in the old currency and no clarifications were filed. Finally the A.O. has applied the best judgment u/s 144 of the Act and issued notice u/sec133(6) of the Act on the bank and obtained the bank statements. The A.O. dealt on the deposits details and made analysis of cash sale, credit entries and cash deposits in the bank account and finally assessed the total income of Rs.10,31,730/- and passed the order u/s 144 of the Act dated 24.11.2016.

3. Aggrieved by the order, the assessee has filed an appeal before the CIT(A). Whereas the CIT(A) has considered the grounds of appeal, submissions of the assessee and findings of the scrutiny assessee but confirmed the action of the AO and dismissed the assessee appeal. Aggrieved by the order of the CIT(A), the assessee has filed an appeal before the Hon'ble Tribunal.

4. At the time of hearing, the Ld. AR submitted that the CIT(A) has erred in sustaining the addition and over looked the submissions and not granted the relief/deduction with respect to advance tax credit, LIC premium paid U/sec80C of the Act and med claim

paid u/s 80D of the Act. The Ld.AR has supported the submissions with the factual paper book and prayed for opportunity to substantiate the case before the lower authorities. Contra, the Ld.DR supported the order of the CIT(A).

5. We heard the rival submissions and perused the material on record. The sole grievance of the assessee that the CIT(A) has erred in confirming the action of the AO though the assessee has filed the supporting details in respect of claim of deduction u/s 80C and 80D and the advance tax paid. The Ld.AR contentions are that the assessee should be granted an opportunity to substantiate the case before the lower authorities with material evidences. We find the submissions of the Ld. AR are realistic and duly supported by information in paper book. We considering the principles of natural justice shall grant one more opportunity to the assessee to substantiate the case before the assessing officer and accordingly the AO is directed to examine and consider the information filed by the assessee in respect of claim of deduction u/s 80C and 80D of the Act and to allow the Advance tax paid. Further the

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assessee should be provided adequate opportunity of hearing and shall cooperate in submitting the information and allow the grounds of appeal of the assessee for statistical purposes.

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

Order pronounced in the open court on 29.08.2022.

Sd/-
(BASKARAN BR)
ACCOUNTANT MEMBER

Sd/-
(PAVAN KUMAR GADALE)
JUDICIAL MEMBER

Mumbai, Dated 29.08.2022

KRK, PS

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent.
3. The CIT(A)
4. Concerned CIT
5. DR, ITAT, Mumbai
6. Guard file.

//True Copy//

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आदेशानुसार / BY ORDER,

(Asst. Registrar)
ITAT, Mumbai