

आयकर अपीलीय अधिकरण, 'बी' / 'SMC' न्यायापीठ, चेन्नई।
IN THE INCOME TAX APPELLATE TRIBUNAL
'B' / 'SMC' BENCH: CHENNAI

श्री जी. मंजूनाथा, माननीय लेखा सदस्य के समक्ष
BEFORE SHRI G. MANJUNATHA, HON'BLE ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.2616/Chny/2019
निर्धारण वर्ष /Assessment Year: 2011-12

Smt.Kamala,
No.50, 4th Cross Street,
Anna Nagar, Nellithope,
Pondicherry

v. The Income Tax Officer,
Ward-4,
Pondicherry.

[PAN: BRJPK 7757 D]
(अपीलकर्ता/Appellant)

(प्रत्यर्थी/Respondent)

अपीलकर्ता की ओर से/ Appellant by : Mr.G. Aniesh, Adv.
प्रत्यर्थी की ओर से /Respondent by : Mr.N.Sanjay Gandhi, Addl.CIT
सुनवाई की तारीख/Date of Hearing : 12.09.2022
घोषणा की तारीख /Date of Pronouncement : 21.09.2022

आदेश / O R D E R

PER G. MANJUNATHA, ACCOUNTANT MEMBER:

This appeal filed by the assessee is directed against the order of the Commissioner of Income Tax (Appeals), Puducherry, dated 28.06.2019 and pertains to assessment year 2011-12.

2. We find that appeal filed by assessee is barred by limitation, for which, necessary petition for condonation of delay explaining the reasons for the delay, has been filed. The learned counsel submitted that assessee could not file appeal within the time allowed under the Act, therefore, delay may be condoned. Having heard both sides and considered the petition filed by the assessee for condonation of delay, we are of the considered view that reasons given by assessee for not filing the appeal within the time

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allowed under the Act, comes under reasonable cause as provided under the Act, for condonation of delay and hence, delay in filing of above appeal is condoned and appeal filed by the assessee is admitted for adjudication.

3. The assessee has raised the following grounds of appeal:

1. The order of the Commissioner of Income Tax(Appeals) in so far as it is against the assessee is contrary to law, erroneous and unsustainable on the facts of the case.

2. The CIT(A) erred in confirming the addition of Rs.6,23,500 as unexplained credits.

3. The CIT(A) failed to appreciate that the entire cash deposits were duly explained before the officer in the course of assessment proceedings and having accepted a portion of the deposits, the rejection of the explanation for this amount was only on surmises and conjectures and hence the addition is unjustified.

4. The CIT(A) further failed to appreciate that assessee had received rental advance and rental income which was credited in the bank and hence the addition as unexplained credits was without any material to reject the explanations offered by assessee.

5. The CIT(A) further failed to appreciate that the rental income from property returned for other years had been accepted and hence rejection of the same in this year is unsustainable on facts of the case.

6. The CIT(A), in any event, ought to have considered the explanations of assessee in the proper perspective and deleted the addition.

4. The brief facts of the case are that during the financial year relevant to the assessment year 2011-12, a sum of Rs.12,73,500/- was deposited in cash to savings bank account No.462013297 maintained with Indian Bank, Puducherry Branch. The assessee has not filed return of income for the AY 2011-12. Therefore, the assessment has been re-opened u/s.147 of the Act, and notice u/s.148 of the Act, was issued. The assessee neither responded nor filed any return in response to the notice u/s.148 of the Act. The case was taken up for scrutiny and during the course of assessment proceedings, the AO called upon the assessee to produce necessary details in respect of cash deposits into bank account. In response, the Authorized

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Representative of the assessee, Mr.E. Rajan, appeared on 22.10.2018 and filed copy of ITR-V, computation of income and one statement showing the rental income around Rs.40,000/- per month from the immovable property. The Ld.AR asked to furnish the details of rent received and from whom it was received along with details of property held by the assessee. As no details furnished by the assessee regarding cash deposits and also regarding house property, a final proposal for completing assessment u/s.144 r.w.s.147 of the Act, was issued on 10.11.2018 intimating that in absence of reply and material evidence, the cash deposits amounting to Rs.12,73,500/- will be treated as income of the assessee for the AY 2011-12. In response, the assessee through her Authorized Representative submitted that cash deposits into bank account is out of rental income. The assessee further submitted that she had made two major deposits on two different dates i.e. Rs.4 lakhs on 06.12.2010 & Rs.2.5 lakhs on 04.01.2011 and similar amounts has been withdrawn on 25.11.2010 and on 28.12.2010 from very same bank account. Therefore, the AO has allowed the benefit of withdrawal from very same bank account on earlier occasion to the extent of Rs.6.5 lakhs and balance amount of Rs.6,23,500/- has been treated as unexplained money u/s.69A of the Act. The assessee carried the matter in appeal before the First Appellate Authority, but could not succeeded. The Ld.CIT(A) sustained the additions made by the AO towards unexplained cash deposits into bank account.

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5. I have heard both the parties, perused the materials available on record and gone through orders of the authorities below. Although, the assessee claims to have made each deposit out of rental income from property, but could not file any evidence from which property so called rent is derived, from whom said rental income is received. Therefore, in absence of details regarding rental receipt from property, the explanation of the assessee is that cash deposits into bank account is out of rental income, cannot be accepted. Therefore, we are of the considered view that there is no error in the reasons given by the Ld.CIT(A) to sustain the addition made towards cash deposits into bank account. Hence, we are inclined to uphold the findings of the Ld.CIT(A) and dismiss the appeal filed by the assessee.

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

Order pronounced on the 21st day of September, 2022, in Chennai.

Sd/-

(जी. मंजूनाथा)

(G. MANJUNATHA)

लेखा सदस्य/**ACCOUNTANT MEMBER**

चेन्नई/Chennai,

दिनांक/Dated: 21st September, 2022.

TLN

आदेश की प्रतिलिपि ँ ग्रेषित/**Copy to:**

1. ँ पीलार्थी/Appellant

2. प्रत्यर्थी/Respondent

3. आकर आकुत (ं पील)/CIT(A)

4. आकर आकुत/CIT

5. विभागीं प्रतिनिधि/DR

6. गार्ड फाईल/GF