

आयकर अपीलीय अधिकरण, 'डी' न्यायपीठ, चेन्नई  
IN THE INCOME-TAX APPELLATE TRIBUNAL 'D' BENCH, CHENNAI  
श्री वी दुर्गा राव न्यायिक सदस्य एवं श्री जी. मंजुनाथा, लेखा सदस्य के समक्ष  
Before Shri V. Durga Rao, Judicial Member &  
Shri G. Manjunatha, Accountant Member

आयकर अपील सं./I.T.A. No. 3388/Chny/2018  
निर्धारण वर्ष/**Assessment Year:2010-11**

Shri P. Prabhu,  
29/C-2, Venkat Rathna Manor,  
Race Course, Coimbatore 641 018.

Vs. The Assistant Commissioner of  
Income Tax,  
Corporate Circle 2, Coimbatore.

**[PAN:AIVPP2632E]**

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : None  
प्रत्यर्थी की ओर से/Respondent by : Shri D. Hema Bhupal, JCIT  
सुनवाई की तारीख/ Date of hearing : 29.08.2022  
घोषणा की तारीख /Date of Pronouncement : 19.10.2022

**आदेश /O R D E R**

**PER V. DURGA RAO, JUDICIAL MEMBER:**

This appeal filed by the assessee is directed against the order of the Id. Commissioner of Income Tax (Appeals) 1, Coimbatore, dated 11.10.2018 relevant to the assessment year 2010-11. The only issue involved in this appeal is relating to confirmation of addition of ₹.4,40,000/- towards unexplained cash credit under section 68 of the Income Tax Act, 1961 ["Act" in short].

2. Facts are, in brief, that the assessee is the Managing Director of the company, M/s. MPS Steel Castings Pvt. Ltd. For the assessment year 2010-11, the assessee filed his return of income on 24.03.2012 admitting income of ₹.13,78,240/-. The return was processed under section 143(1) of the Act. Subsequently, the case was reopened by issuing a notice under section 148 of the Act. During the course of assessment proceedings, the Assessing Officer asked the assessee about cash deposit of ₹.4,40,000/-. The assessee has explained that agricultural income of previous year of ₹.13,49,730/- was retained in cash and a part of it of ₹.4,40,000/- was deposited in bank on 16.06.2009. The Assessing Officer was of the opinion that how the previous year agricultural income still available with the assessee and by not accepting the explanation of the assessee, the addition under section 68 of the Act for ₹.4,40,000/- was made. On appeal, the Id. CIT(A) confirmed the addition.

3. On being aggrieved, the assessee is in appeal before the Tribunal. When the appeal was taken up for hearing, none appeared on behalf of the assessee. On an earlier occasion also when the

appeal was taken up for hearing none appeared. Hence, we proceed to decide the appeal on merits after hearing the Id. DR.

4. We have heard the Id. DR, perused the materials available on record and gone through the orders of authorities below and find that the Assessing Officer has not accepted the explanation of the assessee that previous year agricultural income of ₹.13,49,730/- out of which ₹.4,40,000/- was deposited. As per the Assessing Officer, this is not a reasonable explanation for the reason that how the amount was still available with the assessee. It is not the case of the assessee that the assessee has not disclosed the agricultural income in the previous assessment year. On appeal, the Id. CIT(A) confirmed the order of the Assessing Officer on the ground that in the assessment year under consideration, the assessee has not having any agricultural income. We find that neither the Assessing Officer nor the Id. CIT(A) disputed the agricultural income of previous assessment year of ₹.13,49,730/-. We are of the opinion that out of agricultural income which was left with the assessee, the amount of ₹.4,40,000/- was deposited in the bank account on 16.06.2009. So the assessee has explained the source and the onus are charged by disclosing the source. Therefore, we find that

the addition made by the Assessing Officer and confirmed by the Id. CIT(A) cannot be sustained. Accordingly, we set aside the order of the Id. CIT(A) and delete the addition made by the Assessing Officer.

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

Order pronounced on the 19<sup>th</sup> October, 2022 in Chennai.

Sd/-  
(G. MANJUNATHA)  
ACCOUNTANT MEMBER

Sd/-  
(V. DURGA RAO)  
JUDICIAL MEMBER

Chennai, Dated, 19.10.2022

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.