

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

श्री महावीर सिंह, उपाध्यक्ष एवं श्री मंजुनाथ. जी, लेखा सदस्य के समक्ष

**BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT AND
SHRI MANJUNATHA.G, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.: 491/CHNY/2021

निर्धारण वर्ष/Assessment Year: 2012-13

**Smt. Gunaseelan Janaki
Radha,**
No.49/43, Kalaimagal Street,
Erode – 638 001.

The Income Tax Officer,
vs. Ward 1(2),
Erode.

PAN: AYYPR 0453L

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by
प्रत्यर्थी की ओर से/Respondent by

: Shri S. Sridhar, Advocate
: Shri AR.V. Sreenivasan, Addl.CIT

सुनवाई की तारीख/Date of Hearing : 10.05.2023

घोषणा की तारीख/Date of Pronouncement : 17.05.2023

आदेश /ORDER

PER MAHAVIR SINGH, VICE PRESIDENT:

This appeal by the assessee is arising out of the order of the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi in Appeal No.CIT(A), Coimbatore-3/10411/2019-20 dated 22.06.2021. The assessment was framed by the Income Tax Officer, Ward 1(2), Erode for the assessment

year 2012-13 u/s.144 r.w.s.147 of the Income Tax Act, 1961 (hereinafter the 'Act'), vide order dated 11.12.2019.

2. At the outset, it is noticed that this appeal by assessee is barred by limitation by 86 days. The assessee received the impugned appellate order on 22.06.2021 and appeal was to be filed on or before 21.08.2021 but actually it was filed on 15.11.2021 thereby there was a delay of 86 days. The assessee has filed affidavit for condonation of delay stating that this delay is due to pandemic period of Covid 19 and subsequent events and the Hon'ble Supreme Court in Miscellaneous Application No.665 of 2021 vide order dated 23.03.2020 has given directions that the delay are to be condoned during this period 15.03.2020 to 14.03.2021 and they have condoned the delay up to 28.02.2022 in Miscellaneous Application No.21 of 2022 vide order dated 10.01.2022. Since the Hon'ble Supreme Court has condoned the delay during the said period, respectfully following the same we condone the delay and admit the appeal.

3. The first issue in this appeal of assessee is as regards to violation of principles of natural justice as well as assumption of

jurisdiction u/s.147 of the Act by reopening the assessment. For this, assessee has raised ground nos.1 to 6.

4. When a query was put to Id.counsel, he nodded his head in no and he has not argued anything on the principles of natural justice or on reopening of assessment u/s.147 of the Act. Accordingly, this ground of assessee's appeal is dismissed as not pressed.

5. The second issue on merits is as regards to the order of CIT(A) confirming the action of the AO in assessing / computing business income at 8% of credit entries. For this, assessee has raised ground Nos.7 & 8, which need not be reproduced.

6. Brief facts are that as per information in the possession of Department, the assessee has made cash deposit to the tune of Rs.23 lakhs in savings bank account during the financial year 2011-12 relevant to this assessment year 2012-13. The assessee has not filed any return of income for assessment year 2012-13 and hence, proceedings for reopening u/s.147 of the Act was initiated and accordingly notice u/s.148 of the Act was issued. The assessee is engaged in the business of textiles in the name of 'Janakiradha Tex' and most of transactions relates to her textile business. This finding

is recorded by AO in assessment order. The assessee has maintained two accounts in City Union Bank, Erode i.e., one current account and one savings account. The AO noticed from the bank statement obtained that the total credit entries appearing in current account and savings account are Rs.2,09,91,982/- and Rs.30,30,898/- respectively. According to AO, the total credit appearing in the bank accounts comes to Rs.2,35,22,880/- and assessee failed to offer any explanation for the cash deposits made and accordingly, the same is treated as gross receipts from her business. The AO estimated the profit rate at 8% on the gross receipt of Rs.2,35,22,880/- being business transactions on account of credit appearing in current account and savings bank account. He assessed the income accordingly. Aggrieved, assessee preferred appeal before CIT(A).

7. We have heard rival contentions and gone through facts and circumstances of the case. Before us, the assessee could not submit any documentary evidence that the profit rate is lower than 8% as computed by the AO. The assessee has not maintained any books of accounts nor any bills and vouchers. Since the assessee could not substantiate that the profit rate applied by AO at 8% is higher and actually in this trade profit rate is lower, we have no

alternative except to confirm the order of AO and that of the CIT(A).
The appeal of the assessee is dismissed.

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

Order pronounced in the open court on 17th May, 2023 at Chennai.

Sd/-

(मंजुनाथ. जी)

(MANJUNATHA.G)

लेखा सदस्य/ACCOUNTANT MEMBER

Sd/-

(महावीर सिंह)

(MAHAVIR SINGH)

उपाध्यक्ष /VICE PRESIDENT

चेन्नई/Chennai,

दिनांक/Dated, the 17th May, 2023

RSR

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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|-------------------------|--------------------------|---------------------|
| 1. अपीलार्थी/Appellant | 2. प्रत्यर्थी/Respondent | 3. आयकर आयुक्त /CIT |
| 4. विभागीय प्रतिनिधि/DR | 5. गार्ड फाईल/GF. | |