

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई
IN THE INCOME-TAX APPELLATE TRIBUNAL 'B' SMC BENCH, CHENNAI
श्री वी दुर्गा राव न्यायिक सदस्य के समक्ष
Before Shri V. Durga Rao, Judicial Member

आयकर अपील सं./I.T.A. No.282/Chny/2023
निर्धारण वर्ष/Assessment Year: 2017-18

Vivek Chandrasekar,
No. 1, Flat 3B, Apsaras,
Sambandam St., G.N. Chetty Road,
T. Nagar, Chennai 600 017.

Vs. The Income Tax Officer,
Non Corporate Ward 17(4),
Chennai.

[PAN:AAQPC0458H]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri K. Balasubramanian, Advocate
प्रत्यर्थी की ओर से/Respondent by : Shri P. Sajit Kumar, JCIT
सुनवाई की तारीख/ Date of hearing : 08.06.2023
घोषणा की तारीख /Date of Pronouncement : 12.06.2023

आदेश /ORDER

This appeal filed by the assessee is directed against the order of the Id. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre [NFAC], Delhi dated 09.02.2023 for the assessment year 2017-18.

2. Brief facts of the case are that the assessee is an employee of IBM Pvt. Ltd., Chennai and filed his return of income for the assessment year 2017-18 on 12.06.2017 admitting total income of ₹.4,92,990/-. The case of the assessee was selected for scrutiny to examine cash deposits in the bank account of the assessee during demonetization period and issued

statutory notices. From the details filed by the assessee, the Assessing Officer noted that the assessee has deposited ₹.49,000/- on 12.11.2016 and ₹.14,00,000/- on 13.11.2016 and called for explanation from the assessee. After considering the submissions of the assessee, the Assessing Officer completed the assessment under section 143(3) of the Act dated 17.12.2019 assessing total income of the assessee at ₹.16,91,990/- by disallowing ₹.11,99,000/- as unexplained investment/ money under section 69/69A of the Act. On appeal, the Id. CIT(A) confirmed the addition made by the Assessing Officer.

3. On being aggrieved, the assessee carried the matter in appeal before the Tribunal. The Id. Counsel for the assessee has submitted that the cash deposits made during demonetization period were the amounts withdrawn from assessee's HDFC bank account out of sale consideration of residential property for the purpose of wedding preparation of assessee, his younger sister and towards domestic and medical treatment expenses of the family. It was further submission that the assessee was employed in IBM Pvt. Ltd. and since the marriages could not materialized, after meeting medical and domestic expenditure, the remaining cash totalling to ₹.20.47 lakhs was re-deposited in the bank accounts. The assessee has no other source of income to make any

deposits other than the balance amount from the sale proceeds and prayed for deleting the addition made by the Assessing Officer and confirmed by the Id. CIT(A).

4. On the other hand, the Id. DR supported the orders of authorities below.

5. Heard both the sides, perused the materials available on record and gone through the orders of authorities below. The case of the assessee is that he has sold his residential property at 22 Nallanna Mudali Steet, Royapetta, Chennai for a total consideration of ₹.35 lakhs as per registered sale deed dated 15.07.2015. The entire amount has been received by way of account payee cheques and deposited in his HDFC bank account. Over a period of 17 months from 15.07.2015 to 12.11.2016, a total sum of ₹.30.50 has been withdrawn by the assessee through bearer cheques drawn in favour of his father Mr. V. Chandrasekar and mother Mrs. C. Vaidehi and also by way of self cheques. It was submitted that the sums were withdrawn for weeding preparation of assessee, his younger sister and towards domestic expenses and medical treatment expenses of parents and family. After meeting medical and domestic expenses, the remaining cash totalling to ₹.20.47 lakhs was redeposited in Banks during November, 2016 after the

announcement of demonetization. After giving due consideration to savings, the Assessing Officer has allowed ₹.2,50,000/- and the remaining amount of ₹.11,99,000/- was treated as unexplained money under section 69A of the Act, which was confirmed by the Id. CIT(A).

6. The contention of the assessee is that the assessee has no other source of income other than the salary and the sale proceeds out of sale of residential property deposited in the bank account. The Id. Counsel for the assessee has argued that for genuine purpose of making arrangement for marriage of the assessee as well as his younger sister and to meet medical and domestic expenses, the sale proceeds deposited in the bank account was withdrawn and since the marriage proposals did not materialise and balance cash after meeting medical and domestic expenses was deposited in his bank accounts. In this case, the Department did not bring on record any other source of income of the assessee and moreover, the sale consideration received out of sale of residential property was not disputed by the Department. Under the above facts and circumstances, it is opined that the transaction made by the assessee are genuine and the addition made by the Assessing Officer under section 69A of the Act is liable to be deleted. Accordingly, the addition made under section 69A of the Act is deleted and allowed the

ground raised by the assessee.

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

Order pronounced on 12th June, 2023 at Chennai.

Sd/-
(V. DURGA RAO)
JUDICIAL MEMBER

Chennai, Dated, 12.06.2023

Vm/-

आदेश की प्रतिलिपि अग्रेषित/Copy to: 1. अपीलार्थी/Appellant, 2. प्रत्यर्थी/ Respondent,
3. आयकर आयुक्त/CIT, 4. विभागीय प्रतिनिधि/DR & 5. गार्ड फाईल/GF.