

आयकर अपीलिय 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 अपीलसं./ITA No.: **773/CHNY/2022**

निर्धारण वर्ष/Assessment Year: 2017-18

**Smt. Baskar Gajalakshmi**  
**Prabha,**  
3/287/2, Surveyar Colony,  
K.Pudur, Madurai – 625 007.

**The ACIT,**  
vs. International Taxation Circle,  
Madurai.

**PAN: BNRPG 0473L**

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

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

: Shri P.M. Kathir, Advocate  
: Shri AR.V. Sreenivasan, Addl.CIT

सुनवाई की तारीख/Date of Hearing : 20.12.2023

घोषणा की तारीख/Date of Pronouncement : 29.12.2023

**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)-16, Chennai in ITA No.158/CIT(A)-16/2019-20 dated 28.07.2022. The assessment order was framed by the Assistant Commissioner of Income Tax, International Taxation Circle, Madurai, for the assessment year

2017-18 u/s.143(3) of the Income Tax Act, 1961 (hereinafter the 'Act'), vide order dated 12.12.2019.

2. The only issue in this appeal is as regards to the order of CIT(A) confirming action of the AO in making addition to the extent of Rs.24,92,060/- as unexplained money u/s.69A of the Act. For this assessee has raised various grounds which are argumentative, exhaustive and hence, need not be reproduced.

3. Brief facts are that the assessee is a non-resident individual and filed her return of income for the assessment year 2017-18 on 04.11.2017. The AO noted that the assessee has made cash deposit in Indian Bank A/c No.408480700 and required her to explain the source of deposit. The assessee has made deposit from 31.05.2016 to 30.03.2017 in aggregate to Rs.51,59,500/-. The AO during the course of assessment proceedings noted that the assessee out of above cash deposit of Rs.51,59,500/- could not explain the cash deposit amounting to Rs.30,25,560/- and hence, added the same to the total income of the assessee as 'unexplained money' u/s.69A of the Act. Aggrieved, assessee preferred appeal before CIT(A).

4. The CIT(A) further allowed and treated the money as explained to the extent of Rs.5,34,500/- and balance, he confirmed the addition to the extent of Rs.24,92,060/- by observing in para 5.3 as under:-

*5.3 I have considered the matter. The assessee deposited Rs.5,10,000/- in cash on 31.05.2016. Assessee claimed to have opening cash balance of Rs.5,52,652 as on 31.03.2016. There was no cash withdrawal during the year before the date deposit. The opening cash balance shown by assessee does not have any authentic proof. If there was opening cash at all, it is also not understood as to why assessee should deposit nearly all her cash holding in bank account on a particular date. Therefore, the source of cash deposited cannot be taken as explained. Regarding the sum of Rs.36,25,000/- deposited on 02.06.2016, the AO had accepted the source to the extent of Rs.16,89,000/- because on the date of deposit, assessee's mother had received Rs.16,89,000/- on account of sale of property. During the course of the year, assessee had shown cash withdrawal of only Rs. 1,25,000/- before 02.06.2016. Therefore, the source of cash (Rs.36,25,000- 16,89,000) or Rs. 19,36,000/- is not at all explained.*

*There was another deposit of Rs.4,90,000/- on 14.07.2016. Even that deposit is not matched by corresponding cash withdrawals prior to that date during the course of the year. Hence, the deposit of Rs.4,90,000/- also cannot be treated as explained. Assessee claimed that interest received on FD formed part of source of cash deposited. This explanation is not acceptable in absence of withdrawals of cash from bank. Assessee also claimed to have received interest of Rs.4,95,780/- from outsiders. This contention is also without any proof in the form of confirmation from the so called 'outsiders'. Regarding residual cash deposit of Rs.5,34,500/-, it is seen that deposits were preceded by*

*sufficient cash withdrawals. The AO had already given benefit on account of assessee's sale of land, rent received as well as agriculture income. Therefore, I am of the view that deposit to the extent of Rs.5,34,500/- can be treated as being sourced from withdrawals. Hence, assessee gets relief of Rs.5,34,500/-. Addition of Rs.24,92,060/- (Rs.30,26,560-5,34,500) is confirmed.*

Aggrieved, assessee preferred appeal before Tribunal.

5.The Id.counsel for the assessee before us submitted that the assessee has submitted cash book vide submissions dated 14.07.2022 and in the said cash book, there were entries showing the receipts and loans by assessee from various parties for purchase of two pieces of land from one Mrs. Saraswathy Ammal on 23.05.2016. The Id. Counsel explained that the amounts received in cash are recorded in assessee's cash book and since the assessee had to make payment in three parts, cash was deposited into her bank account. Thereafter the amounts were repaid to the creditors through cheques. The assessee explained by filing details before us that total loans taken is amounting to Rs.19,58,200/-, which is as under:

#	Creditor	Loan availed	Availed on	Repaid on	Ledger @
1	Moorthy	50,000	07.04.2016	25.07.2016 30.01.2017	35
2	Vishnupandi	1,00,000	09.04.2016	08.02.2017	40

3	<i>Srinivasan</i>	12,000	11.04.2016	25.10.2016	37
4	<i>Gokulrani</i>	1,00,000	21.04.2016	03.02.2027	29
5	<i>Saravanakumar</i>	1,00,000	21.04.2016	13.02.2017	36
6	<i>Tharanya</i>	98,000	29.04.2016	01.03.2017	38
7	<i>Srinivasan</i>	19,000	30.04.2016	25.10.2016	37
8	<i>Umadevi</i>	1,00,000	01.05.2016	22.02.2017	39
9	<i>Kesavan</i>	2,96,000	01.05.2016	22.02.2017 01.03.2017 16.03.2017	33
10	<i>Gunasekaran</i>	1,30,700	01.05.2016	22.02.2017	31
11	<i>Krishnakumar</i>	2,50,500	02.05.2016	06.10.2016 31.01.2017	34
12	<i>Gopal</i>	1,50,000	02.05.2016	22.02.2017	30
13	<i>Baskar</i>	5,52,000	02.05.2016	31.03.2017	26
<b>Total</b>		19,58,200			

He also explained that assessee has opening cash balance of Rs.5,48,550/- available in the books of accounts as on 01.04.2016 and the same was also used for depositing in bank and thereby tried to explain the source of cash deposit of Rs.24,92,060/-.

6. On the other hand, the Id.Senior DR relied on the assessment order and that of the CIT(A).

7. We have heard rival contentions and gone through the facts and circumstances of the case. We noted that the CIT(A) sustained the following cash deposits:-

S.No.	Date of Deposit	Cash Deposits	Addition by AO	Sustained by CIT(A)
1.	31.05.2016	5,10,000	5,10,000	5,10,000
2.	02.06.2016	36,25,000	14,92,060	14,92,060
3.	14.07.2016	4,90,000	4,90,000	4,90,000

The total amount of cash deposits sustained by CIT(A) is at Rs.24,92,060/-. Now, the assessee want to explain the same by the above mentioned cash loan availed amounting to Rs.19,58,200/- and further opening cash balance as per cash book as on 01.04.2016 at Rs.5,48,550/-. We noted that the assessee has filed paper-book in which cash book extracts including ledger extracts for financial year 2016-17 is submitted and claimed that these were submitted before lower authorities. When it was pointed out to Id.counsel that these details were never discussed by either CIT(A) nor AO or any evidence can be filed for where he has filed these details, he could not. Even the certificate given in paper-book is not as per the Tribunal rules that which paper is before which authority and particularly, the assessee tried to explain the source that cash loans were taken from various persons as noted above in para 5. We noted that simple bald statement is made by assessee regarding loan taken just to explain the source of cash deposits in the bank account, which is sustained by the CIT(A). Since, the assessee is unable

to substantiate any of the cash loans taken from these persons and the ledger opening cash balance, we have no alternative except to confirm the addition. Hence, the CIT(A) order is sustained and 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 29<sup>th</sup> December, 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 29<sup>th</sup> December, 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.        |                     |