

आयकर अपीलीय अधिकरण “सी” न्यायपीठ चेन्नई में।
IN THE INCOME TAX APPELLATE TRIBUNAL
“C” BENCH, CHENNAI

माननीय श्री एस. एस. विश्वनेत्र रवि, न्यायिक सदस्य एवं
माननीय श्री मनोज कुमार अग्रवाल, लेखक सदस्य के समक्ष।
BEFORE HON’BLE SHRI S.S. VISWANETHRA RAVI, JM AND
HON’BLE SHRI MANOJ KUMAR AGGARWAL, AM

आयकर अपील सं. ITA No.81/Chny/2024
(निर्धारण वर्ष / Assessment Year: 2015-16)

Shri Kannappan Santhamoorthi 3/9, Barur, Pochampalli, Krishnagiri-635 201.	बनाम / Vs.	ITO Ward-1(1), Krishnagiri.
स्थायी लेखासं./जी आइ आर सं./PAN/GIR No. DOQPS-0047-A		
(पीलार्थी/ Appellant)	:	(प्रत्यर्थी/ Respondent)

अपीलार्थीकी ओरसे/ Appellant by	:	Shri P.M. Kathir (Advocate) - Ld. AR
प्रत्यर्थीकी ओरसे/ Respondent by	:	Shri P. Sajit Kumar (JCIT) - Ld. Sr. DR

सुनवाईकी तारीख/ Date of Hearing	:	01-05-2024
घोषणाकी तारीख / Date of Pronouncement	:	06-05-2024

आदेश / O R D E R

Manoj Kumar Aggarwal (Accountant Member)

1. Aforesaid appeal by assessee for Assessment Year (AY) 2015-16 arises out of an order passed by learned Commissioner of Income Tax (Appeals), Salem [CIT(A)] on 30-08-2019 in the matter of an assessment framed by Ld. Assessing Officer [AO] u/s. 143(3) of the Act on 28-12-2017. The sole grievance of the assessee is confirmation of addition of Rs.24.62 Lacs on account of cash deposits.
2. The registry has noted a delay of 1535 days in the appeal, the condonation of which has been sought by Ld. AR on the strength of a

condonation petition which is accompanied by affidavit of the assessee. The Ld. AR submitted that if Covid-19 Lockdown period is excluded, the delay would be substantially lower. In the affidavit, it has been submitted that due to ongoing divorce proceedings, the assessee was not staying at the given address and therefore, missed the notices and the impugned order. It was only when the demand notices were received from Tax Recovery Officer, the fact of passing of impugned order came to the notice of the assessee after which the assessee took steps to file the resent appeal. It has also been pleaded that the delay was neither willful nor wanton but due to circumstances beyond the control of the assessee. Though Ld. Sr. DR has opposed admission of appeal, however, considering the adverse circumstances being faced by the assessee, we condone the delay and admit the appeal for adjudication on merits.

3. The Ld. AR has prayed for another opportunity of hearing before lower authorities which has been opposed by Ld. Sr. DR.

4. From case records, it emerges that the assessee maintained 4 bank accounts and deposited cash of Rs.202.18 Lacs as tabulated in para 4.1 of the assessment order. However, the declared turnover was Rs.7.09 Lacs only. The assessee failed to file any supportive documents but submitted that the cash was received from his father as well as from certain other persons. Since there were deposits as well as withdrawals, Ld. AO considered peak credit and made impugned addition of Rs.24.62 Lacs.

5. The Ld. CIT(A) confirmed the action of Ld. AO on the ground that the assessee has not raised any specific objection to the same. Still aggrieved, the assessee is in further appeal before us.

6. We find that the assessee has failed miserably to substantiate the source of cash deposits. However, keeping in mind the principles of natural justice, we deem it fit to grant another opportunity to the assessee to substantiate its case. The same would come at a cost of Rs.5,000/- which shall be deposited by the assessee within 30 days from the date of receipt of this order to 'Tamil Nadu State Legal Services Authority' at Hon'ble High Court of Madras. The proof of the same shall be furnished by the assessee to learned AO who shall proceed for de novo assessment after affording reasonable opportunity of hearing to the assessee. The assessee is directed to substantiate its case forthwith failing which Ld. AO shall be at liberty to proceed with assessment on the basis of material on record.

7. The appeal stand allowed for statistical purposes.

Order pronounced on 6th May, 2024

Sd/-

(S. S. VISWANETHRA RAVI)

न्यायिक सदस्य / JUDICIAL MEMBER

Sd/-

(MANOJ KUMAR AGGARWAL)

लेखा सदस्य / ACCOUNTANT MEMBER

चेन्नई Chennai; दिनांक Dated :06-05-2024
DS

आदेशकीप्रतिलिपिअग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF