

आयकर अपीलीय अधिकरण, हैदराबाद पीठ में
**IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCHES "SMC", HYDERABAD**

BEFORE SHRI K. NARASIMHA CHARY, JUDICIAL MEMBER

आ.अपी.सं / **ITA No. 372/Hyd/2024**
(निर्धारण वर्ष / Assessment Year: 2017-18)

Praveen Kumar Jain, Hyderabad [PAN No. AIYPK7487K]	Vs. Income Tax Officer, Ward-7(2), Hyderabad
अपीलार्थी / Appellant	प्रत्यर्थी / Respondent

निर्धारिती द्वारा/Assessee by: Smt. S. Sandhya, AR
(Appeared through virtual mode)

राजस्व द्वारा/Revenue by: Shri R. Kumaran, DR

सुनवाई की तारीख/Date of hearing: 03/06/2024
घोषणा की तारीख/Pronouncement on: 06/06/2024

आदेश / ORDER

Aggrieved by the order dated 20/12/2023 passed by the learned Commissioner of Income Tax (Appeals)- National Faceless Appeal Centre (NFAC), Delhi ("Ld. CIT(A)"), in the case of Praveen Kumar ("the assessee") for the assessment year 2017-18, assessee preferred this appeal, with a delay of 52 days.

2. At the outset, learned AR submitted that the assessee preferred this appeal with a delay of 52 days. In this connection, the assessee filed an affidavit, explaining the reasons that due to unaware of the online appellate proceedings, the assessee could not observe the communication, which were sent through Income Tax portal. It was also submitted by the assessee that he has been suffering from cardiac problems and was undergoing medical treatment and was confined to his home only. It was only in the first week of April, 2024, he became normal

and started attending his works. Finally, in the first week of April only the assessee came to know about the appellate order through his tax consultant. Hence, the assessee prayed that the delay in filing the appeal is due to his health reasons, unintentional and inadvertent due to the circumstances beyond his control. Though the learned DR opposed the same, there is no reason as to why this explanation of the assessee cannot be accepted. Condoning the delay, I proceed to decide the issue on merits.

3. Facts of the case are that the learned Assessing Officer made an addition of Rs. 10.50 lakhs and Rs. 37,854/- by disallowing the claim of the assessee under Chapter VIA, which were found to have been deposited in the account of the assessee on 10/11/2016 by disbelieving the contention of the assessee that such deposit represented the joint rental income. Assessee also claimed the benefit of Chapter-VIA of the Income Tax Act, 1961 ('the Act') in respect of the LIC premium paid. According to the learned Assessing Officer, entry in the bank statement does not prove anything and the assessee failed to produce any evidence in support of his contentions. Learned CIT(A) also confirmed the addition on similar lines. Hence, this appeal.

4. It is submitted by the learned AR that there was no reason why the Revenue authorities to reject the rental agreement in support of the contention of the assessee that the deposits represent the rental income. Further according to the learned AR, the assessee has been filing returns of income, showing the rental income, business income and, therefore, there is no reason for the authorities not to believe the same. Further, when the LIC premium payment receipt is produced, the authorities are not justified in making disallowance of Rs. 37,854/- .

5. Per contra, learned DR submitted that the assessee failed to make any representation before the learned CIT(A) and, therefore, it is not open for the assessee to make so many contentions at this stage.

6. I have gone through the record in the light of the submissions made on either side. It is a fact that the assessee deposited the entire amount of Rs. 10.50 lakhs at the earliest point of time after demonetization i.e., on 10/11/2016, whereas demonetization was declared on the evening of 08/11/2016. Further, there is no dispute that the assessee has been filing the returns of income regularly, declaring rental and business incomes. Even for this year also return of income was filed by the assessee, declaring an income of Rs. 6,35,900/-.

7. In these circumstances, I am of the considered opinion that when the assessee produces the rental agreements, there is no reason for the learned Assessing Officer to disbelieve the same that too when the assessee made the deposits on 10/11/2016 i.e., at the earliest point of time, which does not allow any pre-meditation on the part of the assessee to defeat the demonetization scheme. Hence, I direct the learned Assessing Officer to delete the addition of Rs. 10.50 lakhs.

8. Coming to the addition of Rs. 37,854/-, if the assessee produces the LIC premium payment receipts, the same may also be allowed. Keeping in view the smallness of this amount, instead of restoring the issue to the file of the learned Assessing Officer, I allow this ground also.

9. In the result, appeal of the assessee is allowed.

Order pronounced in the open court on this the 6th day of June, 2024.

Sd/-
(K. NARASIMHA CHARY)
JUDICIAL MEMBER

Hyderabad,
Dated: 06/06/2024

TNMM

Copy forwarded to:

1. Praveen Kumar Jain, 4-1-569, Flat No. 213, Troopbazar, Hyderabad.
2. Income Tax Officer, Ward-7(2), Hyderabad.
3. The Pr.CIT, Hyderabad.
4. DR, ITAT, Hyderabad.
5. GUARD FILE.

TRUE COPY

ASSISTANT REGISTRAR
ITAT, HYDERABAD