

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

महनीय श्री मनोज कुमार अग्रवाल, लेखक सदस्य एवं
महनीय श्री मनु कुमार गिरि, न्यायिक सदस्य के समक्ष।
BEFORE HON'BLE SHRI MANOJ KUMAR AGGARWAL, AM
AND HON'BLE SHRI MANU KUMAR GIRI, JM

आयकर अपील सं ITA No.3336 /Chny/2018
(निर्धारणवर्ष / Assessment Year: 2010-11)

M/s JAK Promoters P. Ltd. 215, MTH Road, Avadi, Chennai-600 054.	बनाम/ Vs.	ITO Salary Ward-1(2), Chennai.
स्थायी लेखासं./जीआइआरसं./PAN/GIR No. AADCJ-2917-M		
(पीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थी की ओरसे/ Assessee by	:	Shri N. Arjun Raj (Advocate)-Ld.AR
प्रत्यर्थी की ओरसे/ Revenue by	:	Shri AR V Sreenivasan (Addl.CIT)-Ld. Sr. DR

सुनवाई की तारीख/ Date of Hearing	:	27-05-2024
घोषणा की तारीख / Date of Pronouncement	:	03-07-2024

आदेश / ORDER

Manoj Kumar Aggarwal (Accountant Member)

1. Aforesaid appeal by assessee for Assessment Year (AY) 2010-11 arises out of the order of learned Commissioner of Income Tax (Appeals)-6, Chennai [CIT(A)] dated 21-02-2018 in the matter of an assessment framed by Ld. Assessing Officer [AO] u/s. 143(3) r.w.s 147 of the Act on 28-03-2014. The sole grievance of the assessee is confirmation of addition of Rs.675 Lacs. The registry has noted delay of 208 days in the appeal which stand condoned. Having heard rival

submissions and upon perusal of case records, our adjudication would be as under. The assessee being resident corporate assessee is stated to be engaged in sale / purchase of immoveable properties.

Assessment Proceedings

2. The impugned addition stem from the fact that in the bank accounts of the assessee, certain credits were noted for Rs.636.51 Lacs on various dates which have been tabulated on page-7 of the assessment order. In the absence of any satisfactory explanation forthcoming from the assessee, the same was treated as the income of the assessee and the assessment was finalized.

Appellate Proceedings

3.1 The Ld. CIT(A) made enhancement by noting that the assessee was entitled to receive commission for services rendered to one M/s Rakindo Developers Pvt. Ltd. As per Rakindo, the assessee was paid commission of Rs.675 Lacs. The assessee failed to submit any explanation and accordingly, Ld. AO was directed to tax the entire commission of Rs.675 Lacs.

3.2 On the issue of cash credits, the amount of Rs.525 Lacs was received from Rakindo which was already brought to tax as enhancement. For the balance Rs.111.51 Lacs, the assessee did not offer any explanation and accordingly, the addition was sustained to that extent. Aggrieved, the assessee is in further appeal before us.

Our findings and Adjudication

4. The Ld. AR submitted that the amount of Rs.675 includes an amount of Rs.100 Lacs which was received by another entity M/s Jak Communications Pvt. Ltd. and the same do not relate to the assessee. The Ld. AR further explained that this commission income of Rs.575

Lacs (net of service tax) was offered to tax in AY 2014-15 which is evidenced by financial statements of the assessee. The same was on the basis of crystallization of income. Considering the same, we direct Ld. AO to verify the same. If the income has already been offered in AY 2014-15, the addition of Rs.575 Lacs would stand deleted. The Ld. AO may also verify that the remaining amount of Rs.100 Lacs do not relate to the assessee and the same do not have any income component or cash credit in the hands of the assessee.

5. The remaining credit of Rs.40.50 Lacs is stated to have been received from M/s Jak Communications Pvt. Ltd. Similarly, the credit of Rs.21.01 Lacs is stated to have been received from B. Jayaraman. The documentary evidences, to substantiate the same has been placed on record. The Ld. AO may verify the same. The assessee is directed to explain the nature of transactions on the basis of which Ld. AO shall re-adjudicate the same afresh.

6. The appeal stand allowed for statistical purposes.

Order pronounced on 3rd July, 2024

Sd/- (MANU KUMAR GIRI) न्यायिक सदस्य / JUDICIAL MEMBER	Sd/- (MANOJ KUMAR AGGARWAL) लेखासदस्य / ACCOUNTANT MEMBER
---	--

चेन्नई Chennai; दिनांक Dated : 03-07-2024
DS

आदेशकीप्रतिलिपिअप्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी/Assessee
2. प्रत्यर्थी/Revenue
3. आयकरआयुक्त/CIT., Chennai / Madurai / Coimbatore / Salem
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF