

आयकर अपीलीय अधिकरण, 'सी' न्यायपीठ, चेन्नई।
IN THE INCOME TAX APPELLATE TRIBUNAL
'C' BENCH: CHENNAI

श्री यस यस विश्वनेत्र रवि, न्यायिक सदस्य एवं श्री जगदीश, लेखक सदस्य के समक्ष
BEFORE SHRI SS VISWANETHRA RAVI, JUDICIAL MEMBER AND
SHRI JAGADISH, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.957/Chny/2024
निर्धारण वर्ष /Assessment Year: 2017-18

Polupalli Duraiswamy Anbarasan,
01, Sri Amman Agencies, NH-7,
Krishnagiri to Hosur Road,
Near Surya Hotel, Polupalli,
Krishnagiri Taluk & District-635115.
[PAN: ADEPA 2229C]
(अपीलार्थी/**Appellant**)

Vs. The Dy. Commissioner of Income
Tax,
Circle-1(1),
Salem,

(प्रत्यर्थी/**Respondent**)

अपीलार्थी की ओर से/ Appellant by : Shri S. Sridhar, Advocate
प्रत्यर्थी की ओर से /Respondent by : Ms. R. Anita, Addl. CIT

सुनवाई की तारीख/Date of Hearing : 13.08.2024
घोषणा की तारीख /Date of Pronouncement : 21.08.2024

आदेश / **ORDER**

PER JAGADISH, A.M:

Aforesaid appeal filed by the assessee for Assessment Year (AY) 2017-18 arises out of the order of Learned Commissioner of Income Tax (Appeals), [NFAC], Delhi [hereinafter "CIT(A)"] dated 03.01.2024.

2. There is a delay of 35 days in filing the appeal by the assessee. The assessee has given reason for delay in filing the appeal. We have considered the petition of delay in filing the appeal and heard the

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counsel. We are satisfied that there was sufficient cause for not filing the appeal within the prescribed time limit. Hence, the delay is condoned.

3. The only effective ground of appeal in this case is against the addition of deposit of Specified Bank Notes (SBN) of Rs. 63,500/- in the bank account of the assessee during demonetization period.

4. The brief facts of the case are that the assessee is an individual and running proprietary concerns in the business of selling sugarcane and tender coconut under the name of M/s. Surya Hotel. The assessee has filed his return of income of Rs. 12,38,970/- on 26.10.2017. The assessee has made cash deposit of Rs. 5,13,500/- in SBNs during demonetization period. The A.O has accepted the deposit of Rs. 4,50,000/- made between 09.11.2016 to 14.11.2016 as deposits was made during reasonable period of time from the announcement of demonetization. The A.O did not accept the deposits of Rs. 63,500/- from 28.11.2016 to 14.12.2016 as the deposits were beyond reasonable time of 1 week.

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5. Being aggrieved, the assessed filed an appeal before Ld. CIT(A), the Ld. CIT(A) has confirmed the addition made by A.O as the assessee has not made submissions in support of his case.

6. The Ld. AR has contended that the window for depositing the cash was opened from 09.11.2016 to 14.11.2016 and cash was deposited during the said period. The Ld. AR further submitted that the delay in deposit within a week cannot be a reason to make addition if the assessee was allowed to deposit the SBNs till 14.12.2016 by the notification and the source of cash was not doubted.

7. The Ld. DR, on the other hand, has supported the orders of the authorities below.

8. We have heard rival contentions and gone through the orders of the authorities below. The A.O has made addition of Rs. 63,500/-, merely because the assessee has not deposited the SBNs between 09.11.2016 to 14.11.2016 i.e., within a week of announcement of demonetisation. The A.O has accepted the SBNs deposit of Rs. 4,50,000/- deposited till 14.11.2016. The A.O has not brought out any material that the SBNs of Rs. 63,500/- was unexplained. The Ld. CIT(A) has confirmed the addition without considering the relevant facts and therefore, we set aside the order passed by the Ld. CIT(A)

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and order AO to delete the addition . In view of the above, the appeal filed by the assessee is allowed.

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

Order pronounced on 21st August, 2024.

Sd/-
(यस यस विश्वनेत्र रवि)
(SS Viswanethra Ravi)
न्यायिक सदस्य / Judicial Member

Sd/-
(जगदीश)
(Jagadish)
लेखा सदस्य /Accountant Member

चेन्नई/Chennai, दिनांक/Dated: 21st August, 2024.
EDN/-

आदेश की प्रतिलिपि अग्रेषित/**Copy to:**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT, Salem
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF