

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

**माननीय श्री एबी टी. वर्की, न्यायिक सदस्य एवं  
माननीय श्री मनोज कुमार अग्रवाल, लेखा सदस्य के समक्ष।  
BEFORE HON'BLE SHRI ABY T. VARKEY, JM AND  
HON'BLE SHRI MANOJ KUMAR AGGARWAL, AM**

**आयकर अपील सं./ ITA No.390/Chny/2024  
(निर्धारणवर्ष / Assessment Year: 2017-18)**

<b>Shri Ayyavu Rajavel</b> Flat No.1204, Oceanic Tower 5/63, Hiranandani Upscale VTC Egattur, PO Padur Kancheepuram – 603 103	<b>बनाम/ Vs.</b>	<b>ITO</b> Ward -1 Namakkal.
स्थायी लेखासं./जी आइ आर सं./PAN/GIR No. <b>AHKPR-9058-E</b>		
(अपीलार्थी/ <b>Appellant</b> )	:	(प्रत्यर्थी / <b>Respondent</b> )

अपीलार्थीकी ओरसे/ <b>Appellant by</b>	:	Shri S. Sridhar (Advocate-Erode)- Ld. AR
प्रत्यर्थीकी ओरसे/ <b>Respondent by</b>	:	Dr. Samuel Pitta (JCIT) -Ld. DR

सुनवाईकी तारीख/ <b>Date of Hearing</b>	:	21-08-2024
घोषणाकी तारीख / <b>Date of Pronouncement</b>	:	03-09-2024

**आदेश / ORDER**

**Manoj Kumar Aggarwal (Accountant Member)**

1. Aforesaid appeal by assessee for Assessment Year (AY) 2017-18 arises out of the order of learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi [CIT(A)] dated 11-10-2022 in the matter of an assessment framed by Ld. Assessing Officer [AO] u/s.143(3) of the Act on 13-12-2019. The sole grievance of the assessee is confirmation of addition of Rs.9 Lacs being

cash deposits in the bank account. The Ld. CIT(A) confirmed the same against which the assessee is in further appeal before us.

2. The registry has noted delay of 433 days in the appeal, the condonation of which has been sought by Ld. AR on the strength of affidavit of the assessee wherein it has been submitted that the assessee was in the process of shifting his residence from Namakkal to Kancheepuram and lost the relevant papers. Keeping in mind substantial justice, we condone the delay and proceed for adjudication on merits.

3. From assessment order, it could be seen that the assessee is a civil contractor. The assessee deposited cash of Rs.13.30 Lacs in Specified Bank Notes in his bank account. The assessee submitted that the amount of Rs.5 Lacs was withdrawn from a partnership firm whereas another amount of Rs.11.30 Lacs was drawn from Rajavel HUF. The HUF entity had no bank account but it was assessed to tax. The Ld. AO termed the explanation to be without any credible evidence. Accordingly, the aforesaid amount was held to be unexplained money and added to the income of the assessee.

4. During appellate proceedings, the assessee submitted that HUF was carrying on money lending business and was filing Income Tax Returns from 2013-14 to 2017-18. The copies of the same were also furnished. It was also stated that the cash was accumulated over the years. The Ld. CIT(A) noted that in AY 2016-17, HUF did not file the return of income. The assessee did not file cash book of HUF and the assessee did not furnish any evidence of business being carried on by HUF. Accordingly, the addition was confirmed against which the assessee is in further appeal before us.

5. We find that though the assessee stated that the cash was received from HUF, however, the assessee could not substantiate the same with acceptable evidences. The only evidence on record is ITR of HUF for AYs 2013-14, 2014-15 & 2015-16 wherein the HUF has reflected income in the range of Rs.2 Lacs in each of the year. Therefore, the claim of the assessee could not be accepted fully. To settle the dispute, we direct Ld. AO to restrict the impugned addition to the extent of Rs.5 Lacs and re-compute the income of the assessee.

6. The appeal stands partly allowed.

*Order pronounced on 3<sup>rd</sup> September, 2024*

**Sd/-**  
**(ABY T. VARKEY)**  
न्यायिक सदस्य / JUDICIAL MEMBER

**Sd/-**  
**(MANOJ KUMAR AGGARWAL)**  
लेखक सदस्य / ACCOUNTANT MEMBER

चेन्नई Chennai; दिनांक Dated :03-09-2024  
DS

**आदेशकीप्रतिलिपिअग्रेषित/Copy of the Order forwarded to :**

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