

आयकर अपीलिय अधिकरण, 'बी' न्यायपीठ, चेन्नई
IN THE INCOME-TAX APPELLATE TRIBUNAL 'B' BENCH, CHENNAI
श्री एस.एस. विश्वनेत्र रवि, न्यायिक सदस्य एवं श्री एस.आर. रगुनाथा, लेखा सदस्य के समक्ष
Before Shri S.S. Viswanethra Ravi, Judicial Member &
Shri S.R. Raghunatha, Accountant Member

आयकर अपील सं./I.T.A. No.2142/Chny/2024
निर्धारण वर्ष/Assessment Year: 2017-18

M/s. Nellai Krishna Construction
Pvt. Ltd., Plot No. 10, Flat-C-1,
Pillayar Koil Street, Poonamallee,
Chennai 600 056.

Vs. The Income Tax Officer,
Corporate Ward 4(2),
Chennai.

[PAN:AAECN7186R]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : None
प्रत्यर्थी की ओर से/Respondent by : Ms. Gouthami Manivasagam, JCIT
सुनवाई की तारीख/ Date of hearing : 21.10.2024
घोषणा की तारीख /Date of Pronouncement : 23.10.2024

आदेश /ORDER

PER S.S. VISWANETHRA RAVI, JUDICIAL MEMBER:

This appeal filed by the assessee is directed against the order dated 18.01.2024 passed by the Id. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre [NFAC], Delhi for the assessment year 2017-18.

2. We find no representation on behalf of the assessee nor any application filed seeking adjournment. Thus, the assessee called

absent and set exparte. We proceed to decide the appeal on merits after hearing the Id. DR basing on the material available on record.

3. We find that this appeal was filed with a delay of 148 days. On perusal of the notarised affidavit dated 19.08.2024 and hearing upon the Id. DR, we find the reasons explained by the assessee are bonafide, which really prevented in filing the appeal in time. Thus, the delay of 148 days is condoned.

4. The assessee raised 2 grounds of appeal amongst which, the only issue emanates for consideration as to whether the Id. CIT(A) is justified in confirming the addition made by the Assessing Officer on account of unexplained money under section 69A of the Income Tax Act, 1961 ["Act" in short].

5. We note that the assessee is company, engaged in the business of construction of residential and commercial building. The assessee filed return of income declaring total income of ₹.28,79,670/-. According to the Assessing Officer, the assessee has shown high value receipt of cash from 3rd parties and cash deposits during demonetization period. The Assessing Officer issued notices under section 143(2) and section 142(1) of the Act under scrutiny

proceedings. On examination of the submissions by the assessee, the Assessing Officer asked the assessee to produce cash book and explain the reasons for huge cash deposit during demonetization period. According to the Assessing Officer, there was no explanation given by the assessee as well as no cash book furnished. The Assessing Officer proceeded to add an amount of ₹.36,94,500/- as were found deposited during demonetization period and determined total income of the assessee at ₹.65,74,170/- vide order dated 27.12.2019 under section 143(3) of the Act. The assessee challenged the same before the Id. CIT(A). According to the Id. CIT(A), no explanation nor written submissions filed with regard to the grounds raised therein challenging the addition made under section 69A of the Act. The Id. CIT(A), accordingly, proceeded to confirm the order of the Assessing Officer.

6. The Id. DR Ms. Gouthami Manivasagam, JCIT drew our attention to page 3 of the assessment order and argued that the Assessing Officer specifically asked the assessee to give explanation with support of cash book and proper details. The Assessing Officer rightly computed the assessment by making addition in the hands of the assessee in the absence of any explanation. Further, she drew our

attention to para 5.2 of the impugned order and vehemently argued that the assessee failed to produce any material in support of the grounds raised before the Id. CIT(A). She argued that non-submissions of relevant evidence before the Assessing Officer and the Id. CIT(A) shows that the assessee has no relevant documentary evidence in support of its claim. Further she argued that there was no material evidence supporting the grounds raised in Form 36 before this Tribunal. She also argued that the assessee does not deserve any opportunity as the conduct of the assessee before the authorities below clearly shows that the assessee has no material evidence in support of its claim.

7. Upon hearing the Id. DR and on perusal of the assessment order as well as impugned order, we note that the Assessing Officer as well as the Id. CIT(A) have given ample opportunity to the assessee to file material evidence in support of the claim of the assessee. However, the assessee could not file any explanation for the cash deposits as found in bank account during demonetization period. Before the Tribunal also, the assessee could not explain the source for the cash deposits during demonetization period. Thus, we find no option but to sustain the addition made by the Assessing Officer and as confirmed

by the Id. CIT(A). Accordingly, the grounds raised by the assessee are dismissed.

8. In the result, the appeal filed by the assessee dismissed.

Order pronounced on 23rd October, 2024 at Chennai.

Sd/-
(S.R. RAGHUNATHA)
ACCOUNTANT MEMBER

Sd/-
(S.S. VISWANETHRA RAVI)
JUDICIAL MEMBER

Chennai, Dated, 23.10.2024

Vm/-

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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