

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.925/Hyd/2024
(निर्धारण वर्ष / Assessment Year: 2017-18)

Shaik Mahammadadil Vs. Income Tax Officer
Kadapa Ward-1
[PAN : BLFPM8923D] Kadapa

अपीलार्थी / Appellant प्रत्यर्थी / Respondent

निर्धारिती द्वारा/Assessee by: Shri K.Abhiroop Bhargav, AR
राजस्व द्वारा/Revenue by: Shri AVES Madhukar, DR

सुनवाई की तारीख/Date of hearing: 09/10/2024
घोषणा की तारीख/Pronouncement on: 05/11/2024

आदेश / ORDER

PER K. NARASIMHA CHARY, J.M:

Aggrieved by the order dated 11/06/2024 passed by the learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi, ("learned CIT(A)"), in the case of Shaik Mahammadadil ("the assessee") for the assessment year 2017-18, assessee preferred this appeal.

2. Brief facts of the case are that the assessee had deposited substantial cash of Rs.10,14,500/- in bank account during demonetization period, but had not filed any return of income for the assessment year 2017-18. As the assessee had not filed any return of income for the assessment year 2017-18, a notice under section 142(1) of the Income tax Act, 1961 ("the Act") was issued on 22/03/2018. As the assessee failed to explain the sources for the cash deposit, the learned Assessing Officer treated the entire amount of Rs.10,14,500/- as unexplained money and made addition under section 69A of the Act.

3. Aggrieved by the order of the learned Assessing Officer, assessee preferred an appeal before the learned CIT(A), but the learned CIT(A) confirmed the addition made by the learned Assessing Officer and dismissed the appeal of the assessee.

4. Against which, assessee preferred appeal before the Tribunal. At the outset, taking my attention to sale deed executed on 29/08/2016, learned AR submitted that assessee's father, Shri Shaik Abdul Khader along with his brother, Shri Shaik Abdul Kareem sold a property situated at Kadapa for a consideration of Rs.18,38,000/- and gifted an amount of Rs.10,00,000/- to the assessee from his share, out of love and affection. Assessee deposited the entire amount in his HDFC account during demonetization period.

5. Learned AR furnished a petition filed by the assessee for admission of additional evidence in the form of sale deed and confirmation cum affidavit received from his father and pleaded to admit the same as it forms basis for his source of cash deposit, which could not be filed by the assessee during the assessment and appellate proceedings.

5. On the other hand, learned DR relied on the orders of the Revenue authorities and contended that the assessee was given sufficient opportunities to explain the sources for the cash deposit, but the assessee failed to substantiate his claim with evidence during the assessment as well as appellate proceedings. Assessee's request for admission of additional evidence at this stage of proceedings is nothing but an afterthought of the assessee. He, therefore, pleaded to uphold the order passed by the learned CIT(A) and dismiss the appeal of the assessee.

6. I have heard the rival contentions and perused the material on record in the light of submissions made on either side. It is undisputed fact that the assessee deposited an amount of Rs.10,14,500/- during the demonetization period. Though the assessee could not substantiate his sources for the cash deposits during the assessment and appellate proceedings, he filed a petition for admission of additional evidence in the form of sale deed executed on 29/08/2016 and confirmation letter cum affidavit from his father and

pleaded to admit the same for adjudication of his appeal as it forms basis for his source of cash deposit. Keeping in view the foregoing facts and circumstances of the case and the principles of natural justice, I admit the additional evidence filed by the assessee as per Rule 46 of the Income Tax Rules. On perusal of the same, I find that the assessee had deposited the cash in his HDFC account during the demonetization period and the source being the gift amount received from his father out of his share of sale consideration. As the source is properly explained by the assessee with credible evidence for depositing the cash in his HDFC account, I direct the learned Assessing Officer to delete the addition made.

7. In the result, the appeal of the assessee allowed.

Order pronounced in the Open Court on 5th November, 2024.

Sd/-
(K. NARASIMHA CHARY)
JUDICIAL MEMBER

Hyderabad,
Dated: 05/11/2024
L.Rama, SPS

Copy forwarded to:

1. Shri Shaik Mohammadadil, Door No.4-356, Jamia Masjid Street, Rajampet, Kadapa
2. The Income Tax Officer, Ward-1, Kadapa
3. The Pr.CIT, Kurnool
4. The DR, ITAT, Hyderabad
5. GUARD File

TRUE COPY

ASSISTANT REGISTRAR
ITAT, HYDERABAD