

आयकर अपीलिय अधिकरण, 'ए' न्यायपीठ, चेन्नई
IN THE INCOME-TAX APPELLATE TRIBUNAL 'A' 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.548/Chny/2025
निर्धारण वर्ष/Assessment Year: 2015-16

&

S.A. No. 24/Chny/2025 [In I.T.A. No.548/Chny/2025]

Namasivayam Arunprasad,
C/o S. Ramanathan, Advocate,
No. 4, Srinivasan Street, First Floor,
Mandaveli, Chennai 600 028.

Vs. The Income Tax Officer,
International Taxation Ward 2(1),
Chennai.

[PAN:ADJPN0394E]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri S. Ramanathan, Advocate
प्रत्यर्थी की ओर से/Respondent by : Shri Shivanand K Kalakeri, CIT
सुनवाई की तारीख/ Date of hearing : 06.03.2025
घोषणा की तारीख /Date of Pronouncement : 12.03.2025

आदेश / O R D E R

PER S.S. VISWANETHRA RAVI, JUDICIAL MEMBER:

This appeal filed by the assessee is directed against the order dated 08.01.2025 passed under section 147 r.w.s. 144C(13) of the Income Tax Act, 1961 ["Act" in short] for the assessment year 2015-16.

2. The assessee raised 8 grounds of appeal, amongst which, the only issue emanates for our consideration as to whether the Id. CIT(A)

is justified in confirming the addition made by the Assessing Officer under section 69 of the Act on account unexplained investments in the facts and circumstances of the case.

3. At the outset, we note that the assessee is a non-resident Indian and no return of income filed. The Assessing Officer received information that the assessee purchased immovable property paying consideration of ₹.2,23,44,500/-. The case of the assessee was reopened by issuing a notice under section 148 of the Act. According to the Assessing Officer the assessee filed return of income declaring a total income of ₹. NIL, but, however, neither any explanation nor details filed with regard to the sources of investment with documentary evidence. Accordingly, the Assessing Officer added the entire sale consideration to the income of the assessee vide his draft assessment order dated 16.03.2024 passed under section 144C(1) of the Act. The assessee challenged the same before the DRP and the DRP directed the Assessing Officer by modifying the variation and complete the assessment as per remand report. The Assessing Officer, in his final assessment order, held that the assessee could not explain the source of payment of ₹.8,30,000/- with documentary evidence. Having

aggrieved, the assessee is in appeal before us by raising the above mentioned grounds.

4. The Id. AR Shri S. Ramanathan, Advocate submits that the assessee shown source for investments for the purchase of house property and drew our attention to the page 1 of the paper book. The assessee availed house loan from HDFC of ₹.1,50,00,000/-, out of earnings from abroad ₹.39,51,848/-, own savings ₹.82,053/-, LIC policy maturity ₹.71,5000/- and funds from family members at ₹.8,30,000/- and supporting the same, the assessee has given every details. He argued that the Assessing Officer did not give any relief of fund arising out of family members. The Id. AR drew our attention to the statement of investment in property at page 1 & 2 of the paper book. The Id. AR submits that the assessee availed funds from his brother between 17.05.2014 and 27.05.2014 and drew our attention to page 5 of the paper book. Further, the assessee availed fund from his wife on 12.11.2014 to an extent of ₹.2,00,000/- and drew our attention to page 7 of the paper book. Further, he drew our attention to page 13 of the paper book and submits that the father-in-law of the assessee offered ₹.1,30,000/-. He argued that no addition is maintainable in view of the evidences furnished by the assessee.

5. The Id. DR Shri Shivanand K Kalakeri, CIT relied on the order of the Assessing Officer.

6. Heard both the parties and perused the material available on record. We note that the Assessing Officer passed draft assessment order against which, the assessee filed objection before the DRP. While considering the objections, the DRP directed the Assessing Officer to conduct enquiry under section 144(7) of the Act. The Assessing Officer, in his final assessment order, held that the assessee could not explain the source for payment of ₹.8,30,000/-. But, however, before us, the Id. AR drew our attention to the evidences to the source of payments were raised from assessee's family members. On perusal of page 1 & 2 of the paper book, we find that the assessee stated the sources for payment of sale consideration. We note that from the said statement, the assessee availed loan from HDFC Bank, own fund out of earnings, LIC policy maturity and family support. There is no dispute with regard to own fund out of earning, housing loan from HDFC and LIC policy maturity. We find the only dispute is with regard to funds availed from family members. On perusal of page 5 of the paper book, which is Indian Bank statement, on examination of the same, we find that on 17.05.2014 & 27.05.2014,

₹.1 lakh and ₹.4 lakhs were received by the assessee from his brother. Further, on perusal of page 7 of the paper book, the assessee received ₹.2 lakhs from his wife by name Mrs. R. Sarada on 12.11.2014. Again on 08.12.2014, he received ₹.1,30,000/- through cheque from Mr. Ramanathan. We find, on verification of the same, that the assessee explained entire sale consideration towards investment in immovable property by availing loan from HDFC, own earnings, LIC policy maturity and funds from his family members. But, however, the Assessing Officer did not give credit to the same, thereby, in our opinion, the addition of ₹.8,30,000/- is not maintainable. Accordingly, the addition made by the Assessing officer in his final assessment order of ₹.8,30,000/- is deleted and the grounds raised by the assessee are allowed.

S.A. No. 24/Chny/2025

7. The Stay Application filed by the assessee in S.A. No. 24/Chny/2025 was also heard along with the main appeal. Since we have adjudicated the main appeal by deleting the addition made by the Assessing Officer, the stay petition filed by the assessee become infructuous and accordingly, the same stands dismissed.

8. In the result, the appeal filed by the assessee is allowed and the stay application is dismissed.

Order pronounced on 12th March, 2025 at Chennai.

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

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

Chennai, Dated, 12.03.2025

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.