

आयकर अपीलीय अधिकरण, 'ए' न्यायपीठ, चेन्नई  
**IN THE INCOME TAX APPELLATE TRIBUNAL  
'A' BENCH, CHENNAI**

श्री एस एस विश्वनेत्र रवि, न्यायिक सदस्य एवं श्री एस. आर. रघुनाथा, लेखा सदस्य के समक्ष  
**BEFORE SHRI S.S. VISWANETHRA RAVI, JUDICIAL MEMBER AND  
SHRI S. R. RAGHUNATHA, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.:375/Chny/2025  
निर्धारण वर्ष / Assessment Year: 2012-13

<b>Gudhi Sujatha,</b> New No.372, Old No.197, Triplicane High Road, Triplicane, Chennai – 600 005.	vs.	<b>Income Tax Officer,</b> Non Corporate Ward – 9(4), Chennai.
<b>[PAN:ARJPS-6830-N]</b> (अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Shri. T. Vasudevan, Advocate.  
प्रत्यर्थी की ओर से/Respondent by : Shri. P. Krishna Kumar, J.C.I.T.

सुनवाई की तारीख/Date of Hearing : 08.05.2025  
घोषणा की तारीख/Date of Pronouncement : 10.07.2025

**आदेश / O R D E R**

**PER S. R. RAGHUNATHA, AM :**

This appeal by the assessee is filed against the order of the Commissioner of Income Tax, NFAC, Delhi for the assessment year 2012-13, dated 18.12.2024.

2. The assessee has raised the following grounds of appeal:-

- 1. The learned Commissioner of Income Tax (Appeal), NFAC erred in dismissing the appeal under the facts and in the circumstances of the case.*
- 2. The learned Commissioner of Income Tax (Appeal), NFAC erred in confirming the addition Rs.18,31,723 made by the assessing officer under the facts and in the circumstances of the case.*
- 3. The learned Commissioner of Income Tax (Appeal), NFAC erred in rejecting the evidences produced in support of the rental income*

*Rs.1,20,000/ and confirming the addition under the facts and in the circumstances of the case.*

*4. The learned Commissioner of Income Tax (Appeal), NFAC erred in rejecting the evidences in the form of Form No.16 produced in support of salary Rs.2.25,000/ and confirming the addition under the facts and in the circumstances of the case.*

*5. The learned Commissioner of Income Tax (Appeal), NFAC erred in rejecting the fact that the cash deposit in bank accounts were out of earlier cash withdrawal, rental income and salary and confirming the addition of Rs.17,95,600/- as unexplained cash deposit under the facts and in the circumstances of the case.*

*6. The learned Commissioner of Income Tax (Appeal), NFAC erred in confirming the tax demand Rs.11,46,780/- made by the assessing officer under the facts and in the circumstances of the case*

*7. Any other grounds of appeal as may be raised at the time of hearing before the Hon'ble Income Tax Appellate Tribunal.*

3. The brief facts of the case are that the assessee is an individual filed her return of income for the A.Y. 2012-13 U/S.119(2)(b) on 18.10.2019 declaring a salary income of Rs.2,00,000/-, loss from house property of Rs.4,10,500/-, Income from other sources Rs.36,123/- and carried forward loss of Rs.1,49,377/- for the next assessment years. The case was reopened for assessment u/s.147 of the Act and the statutory notices were issued to the assessee. However, the assessee did not respond for any of the notices and the AO had passed an exparte order u/s.144 r.w.s 147 of the Act dated 04.12.2019 by making an addition of Rs.17,95,600/- as unexplained investment u/s.69 of the Act, based on the cash deposit made in the savings bank account maintained with KVB, Triplicane Branch by rejecting the return of income as invalid. The AO also added interest income of Rs.36,123/- as declared in the return of income.

4. Aggrieved by the order of the Assessing Officer, the assessee preferred an appeal before the Id.CIT(A).

5. During the appellate proceedings the assessee filed the written submissions along with documentary evidence to explain the source of cash deposit in the bank account during the relevant previous year. The source of cash deposit was withdrawal of cash from bank account on various dates to the tune of Rs.10,53,000/-, Salary and Rent received Rs.3,45,000/-, Rent received in advance of Rs.1,20,000/- and opening cash balance of Rs.4,79,750/-. The assessee filed a statement of bank loan relating to jewel loan of Rs.7,38,367/- along with copies of Form 16. The Id.CIT(A) called for remand report from the AO in respect of evidence filed by the assessee. The AO filed a remand report dated 19.12.2023 by declining the documents furnished as afterthought and does not support the source of cash deposit. On perusal of the submissions of the assessee and the remand report the Id.CIT(A) was not convinced with explanations and documents and hence upheld the order of the AO by dismissing the appeal of the assessee by passing an order dated 18.12.2024.

6. Aggrieved by the order of the Id.CIT(A), the assessee preferred an appeal before us.

7. The Id.AR for the assessee submitted that the Id.CIT(A) has erred in confirming the additions made by the AO, without considering the written submissions and the documentary evidence in support of the cash deposit. The Id.AR reiterated the submission made before the Id.CIT(A) and filed the paper book of 17 pages consisting of Remand report of the AO, reply filed before the Id.CIT(A), cash book of the assessee for the F.Y. 2011-12 along with bank statements, loan borrowed, rent agreement, form 16 for salary received. In light

of the above the Id.AR prayed for deleting the addition of cash deposit made by the AO and confirmed by the Id.CIT(A) in the interest natural justice.

8. Per contra, the Id.DR relied on the orders of the lower authorities and prayed for confirming the order of the Id.CIT(A).

9. We have heard rival contentions perused the material available on record and gone through the orders of the authorities below. Admittedly the assessee had not filed her return of income for the impugned assessment year. The assessee had deposited an amount of Rs.17,95,600/- into her bank account in KVB during the A.Y. 2012-13. We find that the assessee had furnished the detailed bank statement showing the borrowing of Rs.7,38,367/- jewel loan which has been drawn in cash before depositing Rs.10.00 Lakhs on 30.07.2011. Further, the assessee has submitted Form 16 for having earned salary of Rs.2,25,000/- during the A.Y. 2012-13 along with rent agreement to show the rent received Rs.1,20,000/- and rent advance of Rs.1,20,000/-. The remand report has been given by the AO without considering any of the submissions is not acceptable. In the present facts of the case and in the interest of fair play and justice, considering the evidence and details furnished by the assessee, we are inclined to consider the following amounts as explained source for cash deposit made by the assessee.

- Jewel Loan taken and withdrawn from bank	Rs. 7,35,000/-
- Cash withdrawals made earlier	Rs. 1,68,000/-
- 50% of Salary income	Rs. 1,12,500/-
- 50% Rental Income	Rs. 60,000/-
- Opening cash balance	<u>Rs. 1,00,000/-</u>
Total	<u>Rs.11,75,500/-</u>

10. In view of the above discussion, we are setting aside the order of the Id.CIT(A) and delete the addition of Rs.11,75,500/-. Hence, we direct the AO to

compute the income by deleting the addition of Rs.11,75,500/- by restricting the addition to Rs.6,20,100/-.

11. In the result the appeal of the assessee is partly allowed.

Order pronounced in the court on 10<sup>th</sup> July, 2025 at Chennai.

**Sd/-**

(एस एस विश्वनेत्र रवि)  
**(S.S. VISWANETHRA RAVI)**  
न्यायिक सदस्य/**Judicial Member**

**Sd/-**

(एस. आर. रघुनाथा)  
**(S. R. RAGHUNATHA)**  
लेखा सदस्य/**Accountant Member**

चेन्नई/Chennai,

दिनांक/Dated, the 10<sup>th</sup> July, 2025

**SP**

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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