

**IN THE INCOME TAX APPELLATE TRIBUNAL  
COCHIN BENCH**

**BEFORE SHRI INTURI RAMA RAO, AM  
AND SHRI PRAKASH CHAND YADAV, JM**

**ITA No. 546/Coch/2024  
Assessment Year: 2019-20**

Baiju Thottakkara ..... Appellant  
Kurrikal, Thodukavil, Koduvally  
Kozhikode 673572  
[PAN: ANNPB2279A]

vs.

ACIT, Central Circle-1, Kozhikode ..... Respondent

Appellant by: Shri Prathik Sandhbor, CA  
Respondent by: Smt. Leena Lal, Sr. D.R.

Date of Hearing: 28.05.2025  
Date of Pronouncement: 27.06.2025

**ORDER**

**Per: Inturi Rama Rao, AM**

This appeal filed by the assessee is directed against the order of the Commissioner of Income Tax (Appeals)-3, Kochi [CIT(A)] dated 17.05.2024 for Assessment Year (AY) 2019-20.

2. Brief facts of the case are that the appellant is an individual engaged in the business of jewellery. The return of income for AY 201920 was filed on 30.03.2020 disclosing total income of Rs. 1,74,97,450/-. Against the said return of income, the assessment was completed by the ACTI, Central Circle-1, Kozhikode (hereinafter

called "the AO") vide order dated 20.07.2021 passed u/s. 143(3) of the Income Tax Act, 1961 (the Act) at a total income of Rs. 3,37,23,640/-. While doing so, the AO made addition of Rs. 1,59,97,050/- as unexplained money of the assessee.

3. The factual background leading to the above addition is that the appellant was intercepted by the police while returning from Coimbatore and found carrying cash of Rs. 3,34,84,500/- and the cash was seized and handed over to the Income Tax Department. During the course of investigation by the police department it was stated that the said money represents the sale proceeds of gold sold at Coimbatore. However, the appellant could not prove this explanation by filing necessary evidences. During the course of assessment proceedings the appellant offered varied explanations as to the source of cash, which is extracted by the AO at page 5 of the assessment order. The AO had not accepted the explanation offered in support of the source of the said cash. Accordingly, after deducting the income returned the balance amount of Rs. 1,59,87,050/- was brought to tax as unexplained money of the assessee.

4. Being aggrieved, an appeal was filed before the CIT(A), who vide the impugned order confirmed the addition after taking into consideration the contradictions in the explanation offered in support of the source of cash found and also for failure of the appellant to substantiate the source cash deposits.

5. Being aggrieved, the appellant is in appeal before this Tribunal in the present appeal.

6. The learned counsel for the assessee argued before us that the approval granted by the Joint Commissioner of Income Tax, Central Range, Kochi (JCIT) is void as it was issued without DIN. He further submitted that having regard to the explanation offered in support of the source of cash found, no addition should have been made.

7. On the other hand, the learned Sr. DR, placing reliance on the orders of the learned lower authorities submitted that there is no requirement under law that the approval granted u/s. 153D of the Act should bear DIN. Placing reliance on the decision of the Hon'ble Kerala High Court in the case of South Coast Spices Exports (P.) Ltd. v. PCIT (2023] 296 Taxman 184 (Ker) the learned Sr. DR submits that on merits, since the appellant offered contradictory explanations in support of the source of money and failed to substantiate the source, the AO was justified in making the addition as confirmed by the CIT(A). Therefore, no interference is called for.

8. We have heard the rival contentions and perused the material available on record. The issue that arises for our consideration is whether the AO is justified in making addition on account of cash seized by the Police as unexplained money of the assessee. As noted by the learned CIT(A) and extracted in page 5 of the assessment order the appellant had offered contradictory explanations in support

of the source of cash found and no evidence, whatsoever, was adduced in support of the explanation offered. Therefore, the AO was justified in making addition of cash seized as reduced by the amount returned as unexplained money of the assessee. As regards the contention of the appellant that the approval does not bear DIN cannot be accepted in view of the decision of Hon'ble Kerala High Court in the case of South Coast Spices Exports (P.) Ltd. v. PCIT (2023] 296 Taxman 184 (Ker). We find no merit in the appeal filed by the assessee.

9. In the result, the appeal filed by the assessee stands dismissed.

Order pronounced in the open court on 27<sup>th</sup> June, 2025.

Sd/-  
**(PRAKASH CHAND YADAV)**  
**JUDICIAL MEMBER**

Sd/-  
**(INTURI RAMA RAO)**  
**ACCOUNTANT MEMBER**

Cochin, Dated: 27<sup>th</sup> June, 2025

n.p.

Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

Assistant Registrar  
ITAT, Cochin