

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

श्री एबी टी. वर्की, न्यायिक सदस्य एवं  
श्री एस. आर. रघुनाथा, लेखा सदस्य के समक्ष

**BEFORE SHRI ABY T. VARKEY, JUDICIAL MEMBER AND  
SHRI S.R.RAGHUNATHA, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.1279/Chny/2025  
निर्धारण वर्ष/Assessment Year: 2017-18

Mr.Balaji, 904, Oceanic, House of Hiranandani, 5/63, Rajiv Gandhi Salai, Egattur, Chennai-600 130.	v.	The DCIT, Non Corporate Circle-22(1), Tambaram.
[PAN: AGAPB 6024 F]		
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)
अपीलार्थी की ओर से/ Appellant by	:	Mr.A. Suraj Nahar, CA
प्रत्यर्थी की ओर से /Respondent by	:	Ms.R. Kavitha, Addl.CIT
सुनवाईकीतारीख/Date of Hearing	:	11.09.2025
घोषणाकीतारीख /Date of Pronouncement	:	13.10.2025

**आदेश / ORDER**

**PER ABY T. VARKEY, JM:**

This is an appeal preferred by the assessee against the order of the Learned Commissioner of Income Tax (Appeals)/NFAC, (hereinafter referred to as "the Ld.CIT(A)"), Delhi, dated 09.06.2025 for the Assessment Year (hereinafter referred to as "AY") 2017-18.

2. At the outset, it is noted that there is a delay of '610' days in filing of appeal. The assessee has filed an application for condonation of delay along with an affidavit. From the averments made, it is noted that the



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assessee was working in USA for two decades [from 1995 to 2014] and so, was practically outside India and had returned only in the year 2015. According to the assessee, the assessment order was passed on 02.03.2022 pursuant to the notice issued on 31.03.2021 u/s.148 of the Act [in the midst of Covid-19] and thereafter, the AO is noted to have framed the assessment on 02.03.2022 and the assessee filed the appeal before the Ld.CIT(A) and the Ld.CIT(A) has passed the impugned order on 09.06.2023 which fact the assessee was not aware of. According to the assessee, he came to know about the impugned order only on April 14, 2025, and immediately thereafter handed over the files to the Chartered Accountant who filed the appeal on 02.05.2025. Since the assessee was in the dark about the disposal of the appeal may be due to glitches in the computer, the assessee pleads for condonation of delay and also contented that the assessee has a prima facie good case and the failure to file the appeal before this Tribunal can't be termed as deliberate. The Ld.DR doesn't want us to condone the delay and asserts that cost may be levied. Be that as it may, we note that the only issue raised by the assessee before this Tribunal is against the action of the Ld.CIT(A) confirming the addition of ₹10 lakhs u/s.69A of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') on the ground that the assessee failed to prove the nature and source of ₹10 lakhs; and before us, in order to show prima facie that it has a good case on merits, the



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assessee showed us that the nature and source of the same was from his savings bank account maintained with SBI. Since we note that the assessee couldn't file the relevant documents before the AO/Ld.CIT(A), they made the addition of ₹10 lakhs u/s.69A of the Act. In the interest of justice and fair play, considering the overall facts, we condone the delay in filing of appeal before this Tribunal since the assessee would not gain by not filing the appeal within the time, and subject to assessee remitting cost of Rs.5,000/- to the State Legal Aid Authority, Hon'ble Madras High Court within three (3) months of receipt of this order; and produce necessary proof of depositing of the same before the Jurisdictional Assessing Officer [JAO].

**3.** The assessee has assailed the action of the Ld.CIT(A)/NFAC for sustaining the addition of ₹10lakhs u/s.69A of the Act.

**4.** The brief facts are that the AO received confirmation from NMS Module that for AY 2017-18, the assessee has earned rental income of ₹50,45,837/-, salary of ₹41,92,230/- and interest income of ₹14,07,401/- and he had further information that assessee had purchased time deposit of ₹34,17,625/-. So, he issued notice u/s.148 of the Act on 31.03.2021 and noted that the assessee didn't file any return of income (RoI) for AY 2017-18. During the course of assessment proceedings, the AO show-caused the assessee 'as to why' various additions should not be made.



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Pursuant to the notice, the assessee is noted to have not filed the return due to department-portal not accepting the same. But the assessee is noted to have calculated the tax liability and paid ₹10,29,890/- on 21.12.2021. The AO finally is noted to have assessed the income at ₹1,00,27,940/-. And the assessee being aggrieved by the action of the AO is noted to have filed appeal before the Ld.CIT(A) against (i) non-grant of full credit of TDS as per Form 20AS (ii) against the addition of ₹10 lakhs made u/s.69A of the Act. The Ld.CIT(A)/NFAC by the impugned order was pleased to partly allow the appeal of the assessee by directing the AO to verify the tax credit available and then to re-compute the tax and interest liability, but confirmed the addition of ₹10 lakhs u/s.69A of the Act since the assessee couldn't file the relevant documents to prove the nature and source of ₹10 lakhs before the Ld.CIT(A), he confirmed the addition of ₹10 lakhs u/s.69A of the Act.

**5.** Aggrieved, the assessee is in appeal before this Tribunal.

**6.** Having heard both the parties and after perusal of the records, it is noted that the assessee is a software professional who worked in USA during the year 1995 to 2014 and the savings made there was deposited in SBI in NRE account, which was converted as normal resident deposit during the FY 2016-17 which was reported by bank in SFT transactions, since by that time he became a resident. The assessee is noted to have



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not filed the RoI and the AO on information that assessee had earned rental income of ₹50,45,837/-, salary of ₹41,92,230/- and interest income of ₹14,07,401/- and had purchased time deposit of ₹34,17,625/-, reopened the assessment of the assessee and made an addition of ₹1,00,27,940/- u/s.144/147 of the Act, wherein, he made also an addition u/s.69A of the Act on account of time deposit amounting to ₹10 lakhs as unexplained investment since the assessee couldn't prove the nature and source of the same. Before us, the assessee has filed the additional evidences to prove the source of ₹10 lakhs [which was the investment/FD made during the FY 2016-17]. Since the assessee failed to produce relevant documents to support the nature and source of the same, the addition was made u/s.69A of the Act; and before us, the assessee has filed an application for admission of the following additional evidences:

1. Savings account statement of the application maintained with SBI for the period starting from 01.04.2013 to 31.03.2017.
2. Fixed Deposit statement maintained with SBI.

**7.** According to the Ld.AR, the assessee couldn't produce the aforesaid evidences before the AO/Ld.CIT(A) and was prevented by sufficient cause to lead such evidences before them. According to the Ld.AR, this evidence would have material bearing on the issue which needs to be decided by the Tribunal and for the ends of justice, pleaded for admission of such evidences. In this regard, it is noted that the assessee couldn't obtain



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and furnish the relevant bank Fixed Deposit statement maintained with SBI before the AO/Ld.CIT(A) on account of the fact that bank was undergoing a transition in terms of its internal software and maintenance of accounts and thus the said statements were not readily available on the online banking platform of the applicant which eventually made it difficult for the applicant to retrieve the same. Moreover, the assessee's mother was bedridden and for taking care of her, he had to frequently travel to Chennai and Trichy and recently only assessee was able to liaison with the SBI and could gather the proof in the form of the bank and fixed deposit statement to evidence the purchase of time deposits to the tune of Rs.10,00,000/- in SBI during the year under consideration. Having considered the aforesaid facts, we are of the view that the assessee was prevented by sufficient cause to lead the relevant evidence before the AO/Ld.CIT(A) and since, these evidences have material bearing on the question of fact raised before us, for the ends of justice, we admit the aforesaid two evidences and proceed to adjudicate the issue relating to addition of ₹10 lakhs u/s.69A of the Act. For such a course of action, we rely on the decision of the Hon'ble Delhi High Court in the case of CIT v. Text Hundred India (P) Ltd., reported in [2013] 351 ITR 57 (Del) and also the decision of the Hon'ble Madras High Court in the case of CIT v. Indian Express (Madurai) (P.) Ltd., reported in [1983] 140 ITR 705 (Mad). The Ld.AR of the assessee drawing our attention to Page No.7 of Paper



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Book [*i.e.* FD statement from 09.11.2016 to 18.08.2025 found placed at Page No.7-11 of the Paper Book] brought to our notice that on 09.11.2016, the assessee had deposited ₹10 lakhs. The Ld.AR drew our attention to the SBI statement of account in the name of the assessee placed at Page No.1-6 of the Paper Book wherein the statement of Savings Bank a/c is found placed and bank statement is noted to be from 01.03.2013 to 31.03.2017. The Ld.AR drew our attention to the relevant Page No.5 where entry dated 09.11.2016 shows that there was a transfer of ₹10 lakhs from assessee's savings bank a/c which was transferred to the FD of the SBI on the very same date i.e. 09.11.2016. Since the assessee has been able to show the *nature and source* of the amount being transferred from his own savings bank account as on 09.11.2016 to the Fixed Deposit Scheme, the nature and source of the same stands explained and therefore, the addition u/s.69A of the Act is not warranted. However, since the Ld.DR states that the AO made the addition since assessee failed to produce the relevant evidence, he asserts that the AO should be given an opportunity to verify the veracity of the same, we accede to such a request and direct deletion of ₹10 lakhs subject to verification by the Jurisdictional Assessing Officer (JAO). The Ld.AR is directed to present the additional evidences before the JAO and explain the nature and source of ₹10 lakhs as noted supra. In case, assessee



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fails then the same addition be confirmed in accordance to law after hearing the assessee.

**8.** In the result, appeal filed by the assessee is allowed for statistical purposes.

Order pronounced on the 13<sup>th</sup> day of October, 2025, in Chennai.

**Sd/-**

(एस. आर. रघुनाथा)  
**(S.R.RAGHUNATHA)**

लेखा सदस्य/**ACCOUNTANT MEMBER**

**Sd/-**

(एबी टी. वर्की)  
**(ABY T. VARKEY)**

न्यायिक सदस्य/**JUDICIAL MEMBER**

चेन्नई/Chennai,

दिनांक/Dated: 13<sup>th</sup> October, 2025.

**TLN**

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT, Chennai / Madurai / Salem / Coimbatore.
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF