

आयकर अपीलीय अधिकरण, 'सी' न्यायपीठ, चेन्नई।  
IN THE INCOME TAX APPELLATE TRIBUNAL  
'C' BENCH: CHENNAI

श्री एबी टी. वर्की, न्यायिक सदस्य एवं सुश्री पदमावती यस, लेखक सदस्य के समक्ष  
BEFORE SHRI ABY T. VARKEY, JUDICIAL MEMBER AND  
MS. PADMAVATHY.S, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.2775/Chny/2025  
निर्धारण वर्ष /Assessment Year: 2013-14

Abraham Kurian,  
0, Manoor Lake Road,  
Kodaikanal, Dindigul – 624 101.  
PAN: ALMPK 7313B

The Commissioner of Income Tax  
Vs. Appeal (NFAC),  
Non Corporate Circle-2,  
Madurai.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by  
प्रत्यर्थी की ओर से /Respondent by

: Mr. A. Venkatesh, Advocate  
: Ms. R. Anitha, Addl. CIT

सुनवाई की तारीख/Date of Hearing  
घोषणा की तारीख /Date of Pronouncement

: 02.02.2026  
: 10.02.2026

**आदेश / ORDER**

**PER PADMAVATHY.S, A.M:**

This appeal by the assessee is against the order of the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre (NFAC), Delhi, (in short "CIT(A)") passed u/s. 250 of the Income Tax Act, 1961 (in short "the Act") both dated 08.08.2025 for Assessment Year (AY) 2013-14.

2. The assessee is an individual and filed the return of income for A.Y 2013-14 on 31.03.2015 declaring total income of Rs.7,83,390/-. The case was selected for scrutiny and the statutory notices were duly served on the assessee. The A.O completed the assessment u/s. 143(3) of the Act assessing

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the income at Rs. 8,83,390/-. Subsequently, the A.O noticed that there is a cash credit which is not explained and therefore the A.O initiated reassessment proceedings by issue of notice u/s. 148 of the Act. The assessee submitted that the source for the cash deposit is from the advance received towards sale of property, from sale of JCB and from money received from assessee's son and sundry debtors. The A.O called on the assessee to substantiate the source and after considering the submissions of the assessee accepted explanation for the source partially and made an addition of Rs. 1,20,23,325/- u/s. 69A of the Act. Aggrieved, the assessee filed further appeal before the CIT(A). The CIT(A) dismissed the appeal stating that the assessee has not discharged the onus of proving the source by submitting satisfactory documentary evidences. The assessee is in appeal before the Tribunal against the order of the CIT(A).

3. The Ld. Authorized Representative (AR) of the assessee submitted that the source for the deposit held as unexplained by the assessee consists of the following amounts:

- i. Advance received from Mr. Shaktivel and Mr. Bhupati against sale of immovable property – Rs. 50,00,000/-;*
- ii. Amount received on sale of JCB from Mr. AM Saravanan – Rs. 18,50,000/-;*
- iii. Cash Receipts from sundry debtors – Rs. 45,00,000/-.*

4. The Ld. AR argued that the lower authorities have not considered the various documentary evidences submitted by the assessee to substantiate the source. With regard to advance towards sale of property the Ld. AR submitted that source is genuine which is substantiated by the fact that the advance received from the parties towards sale of immovable property was subsequently returned since the sale deed go through and that the amount was

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returned through proper banking channel which could be verified. The Ld. AR also took us through the sale agreement in support of the advance received of Rs. 50,00,000/- (page 1 to 7 of paper book). With regard to the amount received from sale of JCB, the Ld. AR submitted the RC Book, sale agreement, insurance, delivery note etc. to submit that these documents would support the claim of the assessee that the sum of Rs. 18,50,000/- is sourced from the sale of JCB. With regard to cash received from debtors, the Ld. AR submitted that out of receipts from 22 debtors affidavits are submitted from 19 debtors and out of the balance one person is deceased and two of the debtors have reallocated. Accordingly, the Ld. AR argued that the assessee has discharged the onus of proving the source for entire cash deposit through various documentary evidences which have not been properly appreciated by the lower authorities.

5. The Ld. Departmental Representative (DR), on the other hand, relied on the orders of the lower authorities.

6. We have heard the parties, and perused the material available on record. The A.O during the course of reassessment proceedings called on the assessee to furnish the source for cash deposits to the tune of Rs.1,71,14,000/. Based on the various details furnished by the assessee, the A.O deleted the addition to the tune of Rs. 50,90,675/- and retained the addition for the balance amount of Rs. 1,20,23,325/- u/s. 69A of the Act. From the perusal of the order of the lower authorities, we notice that the reason for making the addition is that the assessee is unable to prove beyond doubt the source for balance amount. The claim of the assessee with regard to the addition of Rs. 50,00,000/- received as advance is that the same is subsequently returned through banking channel which would prove that the advanced indeed

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received. The Id. AR submitted the copy of registered sale deed in this regard. However, the bank statement to evidence is subsequent return of advance to the parties is not part of record. The Ld. AR in this regard prayed for an opportunity before the lower authorities to submit the bank statements which would evidence the source for Rs. 50,00,000/-. With regard to the source explained as out of sale of JCB, we notice that the assessee has submitted various details including the ownership, delivery, receipt of money etc. We further notice that the lower authorities have not recorded any finding with regard to details submitted by the assessee nor have they any adverse comments on the same. We also notice that the assessee to substantiate the collection from debtors to the tune of Rs. 45,00,000/- has submitted affidavit from 19 out of 22 parties. It is relevant mention here that as per the submissions of the assessee out of the parties from whom the assessee could not get the confirmations one has deceased and the other two have relocated. Considering the facts and circumstances as elaborated herein above and in the interest of natural justice and fair play, we are inclined to give one more opportunity to the assessee to submit proper documentary evidences in support of the source before the lower authorities. Accordingly, we are remitting the appeal back to the A.O with the following directions:

- i. To examine the claim of the Assessee that the advance of Rs. 50,00,000/- which is explained as the source during the year under consideration is subsequently returned by the assessee to the parties through banking channel by calling for necessary details.
- ii. To examine the various documentary evidences such as the RC Book, sale agreement, delivery note etc. of JCB in support of the claim that sale of JCB is the source and decide in accordance with law.
- iii. To examine the affidavits of 19 parties submitted by the assessee in support of the claim that the receipts from the said parties is the

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source for the deposit to the tune of Rs. 37,70,000/- and delete the addition if found correct.

- iv. To sustain the addition to the tune of Rs. 5,55,000/- towards collection from debtors since the assessee could not produce any supporting evidences with regard to the receipts from two parties.
- v. To delete the addition to the tune of Rs. 1,75,000/- towards collection from debtors since the said party is deceased which is the reason why the assessee could not produce the confirmation.

7. The A.O is further directed to call for any further details as may be required to decide the impugned issues in accordance with law. The assessee is directed to submit the relevant details and cooperate with the assessment proceedings. It is ordered accordingly.

8. In the result, the appeal of the assessee is allowed for statistical purpose.

*Order pronounced on 10<sup>th</sup> day of February, 2026 at Chennai.*

**Sd/-**  
**(एबी टी. वर्की)**  
**(ABY. T. Varkey)**

**न्यायिक सदस्य / Judicial Member**

**Sd/-**  
**(पदमवती यस)**  
**(Padmavathy.S)**

**लेखा सदस्य /Accountant Member**

चेन्नई/Chennai, दिनांक/Dated: 10<sup>th</sup> February, 2026.

EDN, Sr. P.S

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