

आयकर अपीलीय अधिकरण, 'ए' न्यायपीठ, चेन्नई

IN THE INCOME TAX APPELLATE TRIBUNAL

'A' BENCH, CHENNAI

श्री एन.आर.एस. गणेशन, न्यायिक सदस्य एवं

श्री चंद्र पूजारी, लेखा सदस्य केसमक्ष

BEFORE SHRI N.R.S. GANESAN, JUDICIAL MEMBER AND  
SHRI CHANDRA POOJARI, ACCOUNTANT MEMBER

आयकर अपील सं./ITA Nos.210, 211, 212 & 213/Mds/2016

निर्धारण वर्ष / Assessment Years : 2005-06 to 2008-09

Shri P. Suyambu,  
No.6, Siva Illam,  
Chidambaranathan Street,  
Nagercoil.

v. The Assistant Commissioner of  
Income Tax,  
Central Circle I,  
Madurai.

PAN : ASZPS 3610 B

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Sh. K. Ravi, Advocate

प्रत्यर्थी की ओर से/Respondent by : Sh. P. Radhakrishnan, JCIT

सुनवाई की तारीख/Date of Hearing : 28.04.2016

घोषणा की तारीख/Date of Pronouncement : 26.05.2016

### **आदेश /O R D E R**

**PER N.R.S. GANESAN, JUDICIAL MEMBER:**

All the four appeals of the assessee are directed against the respective orders of the Commissioner of Income Tax (Appeals)-19, Chennai, for the assessment years 2005-06 to 2008-09. Since common issue arises for consideration in all these appeals, we

heard these appeals together and disposing of the same by this common order.

2. Shri K. Ravi, the Ld.counsel for the assessee, submitted that the assessee is a master graduate in Law and Trustee of a charitable Trust at Nagercoil. During the respective years under consideration, the Assessing Officer found that there are sundry debtors for which no schedule or the details of the persons from whom the amount was received was not available. Therefore, the Assessing Officer treated the same as unexplained investment and computed the notional interest at 24% and made addition to the total income. On a query from the Bench, what is difficulty for the assessee in giving details regarding the names and address of the sundry debtors? The Ld.counsel fairly submitted that the assessee is ready and willing to furnish the names, address and other details of sundry debtors for examination by the Assessing Officer. Therefore, the Ld.counsel submitted that the matter may be remitted back to the file of the Assessing Officer.

3. We have heard Sh. P. Radhakrishnan, the Ld. Departmental Representative also. The Ld. D.R. submitted that the assessee has not filed any details before the Assessing Officer with regard to so-

called sundry debtors for all the assessment years under consideration. Therefore, the Assessing Officer came to a conclusion that the sundry debtors may be undisclosed investment. No evidence was filed even before the CIT(Appeals). The Ld. D.R. further submitted that there was search in the premises of the assessee on 04.05.2007. In the absence of any material with regard to names, address and other details of sundry debtors, the CIT(Appeals) has confirmed the notional interest computed and added by the Assessing Officer.

4. We have considered the submissions on either side and perused the relevant material available on record. As rightly submitted by the Ld.counsel for the assessee and the Ld. Departmental Representative, the addition was made in the absence of any details with regard to names and address of so-called sundry debtors. This Tribunal is of the considered opinion that the assessee has to necessarily furnish the names and address of the sundry debtors before the Assessing Officer for examination. Now, the Ld.counsel for the assessee made a statement before this Tribunal that the assessee is willing and ready to furnish the names and address of the sundry debtors before the Assessing Officer for examination. In view of the above, this Tribunal is of the considered

opinion that giving one more opportunity to the assessee to furnish the names, address and other details of the sundry debtors may not prejudice the interest of the Revenue in any way. On the other hand, giving such opportunity would definitely promote the cause of justice. Accordingly, in the interest of justice, the orders of both the authorities below are set aside and the entire addition on account of notional interest on the sundry debtors is remitted back to the file of the Assessing Officer. The Assessing Officer shall re-examine the issue afresh on the basis of details with regard to sundry debtors that would be filed by the assessee before the Assessing Officer and thereafter decide the same in accordance with law after giving reasonable opportunity to the assessee.

5. In the result, all the appeals of the assessee are allowed for statistical purposes.

Order pronounced on 26<sup>th</sup> May, 2016 at Chennai.

sd/-  
(चंद्र पूजारी)  
(Chandra Poojari)  
लेखा सदस्य/Accountant Member

sd/-  
(एन.आर.एस. गणेशन)  
(N.R.S. Ganesan)  
न्यायिक सदस्य/Judicial Member

चेन्नई/Chennai,  
दिनांक/Dated, the 26<sup>th</sup> May, 2016.  
Kri.

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त (अपील)/CIT(A)-19, Chennai-34
4. Principal CIT-2, Chennai
5. विभागीय प्रतिनिधि/DR
6. गार्ड फाईल/GF.