

आयकर अपीलिय अधिकरण, 'बी' न्यायपीठ, चेन्नई
IN THE INCOME TAX APPELLATE TRIBUNAL
'B' BENCH, CHENNAI

श्री एन.आर.एस. गणेशन, न्यायिक सदस्य एवं
श्री डि.एस. सुन्दर सिंह, लेखा सदस्य केसमक्ष

BEFORE SHRI N.R.S. GANESAN, JUDICIAL MEMBER AND
SHRI D.S. SUNDER SINGH, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No. 1281/Mds/2016
निर्धारण वर्ष / Assessment Year : 2011-12

Shri Avathan Suresh Kumar, The Asstt. Commissioner of Income
C/o. S. Sridhar, A.S. Sriraman, v. Tax,
Advocates, Circle – III,
New No.14, Old No.82, Flat No.5, Trichy.
1st Avenue, Indira Nagar, Adyar,
Chennai – 600 020.

PAN: AGEPS4915J

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

&

आयकर अपील सं./ITA No. 1282/Mds/2016
निर्धारण वर्ष / Assessment Year : 2011-12

Shri C. Arumugam, The Asstt. Commissioner of Income
C/o. S. Sridhar, A.S. Sriraman, v. Tax,
Advocates, Circle – III,
New No.14, Old No.82, Flat No.5, Trichy.
1st Avenue, Indira Nagar, Adyar,
Chennai – 600 020.

PAN: ACYPA3042Q

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

&

आयकर अपील सं./ITA No. 1283/Mds/2016
निर्धारण वर्ष / Assessment Year : 2011-12

Smt. S. Maheswari, The Asstt. Commissioner of Income
C/o. S. Sridhar, A.S. Sriraman, v. Tax,
Advocates, Circle – III,
New No.14, Old No.82, Flat No.5, Trichy.
1st Avenue, Indira Nagar, Adyar,
Chennai – 600 020.

PAN: AAIPM6651M

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

&

आयकर अपील सं./ITA No. 1284/Mds/2016
निर्धारण वर्ष / Assessment Year : 2011-12

Shri Avathan Ramesh Kumar, The Asstt. Commissioner of Income
C/o. S. Sridhar, A.S. Sriraman, v. Tax,
Advocates, Circle – III,
New No.14, Old No.82, Flat No.5, Trichy.
1st Avenue, Indira Nagar, Adyar,
Chennai – 600 020.

PAN: ACFPR5984D

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellants by : Shri S. Sridhar, Advocate

प्रत्यर्थी की ओर से/Respondent by : Shri M.M. Bhusari, CIT

सुनवाई की तारीख/Date of Hearing : 26.04.2017

घोषणा की तारीख/Date of Pronouncement : 31.05.2017

आदेश / O R D E R**PER N.R.S. GANESAN, JUDICIAL MEMBER:**

These appeals of the assesseees are directed against the orders passed by the Principal Commissioner of Income Tax, Central-2, Chennai dated 24.03.2016 under Section 263 of the Income Tax Act, 1961 (in short 'the Act').

2. Shri S. Sridhar, the Ld. counsel for the assessee submitted that the assesseees filed the return of income for the assessment year 2011-12, disclosing Rs.11,81,455/-, Rs.18,06,813/-,

Rs.11,79,041/- and Rs.28,16,067/- respectively. During the course of assessment proceeding, the Assessing Officer found that the assesseees have deposited Rs.7.13 crores, Rs.2.33 crores, Rs.3.7 crores and Rs.4.8 crores in Axis Bank and ICICI bank respectively. The assesseees explained before the AO, money received from closed loan was used for giving new loans and the deposit was made on rotation of capital. The AO after considering the income of the assessee from petrol bunk found that capital available for money lending business would be Rs.60 lakhs, accordingly made addition of only Rs.5 lakhs and the return of the assessee was accepted. Therefore the Principal Commissioner is not justified in exercising his revisional jurisdiction U/s.256 of the Act.

3. On the contrary, Shri M.M. Bhusari, the Ld. Departmental Representative submitted that there was a deposit of Rs.7.13 crores, Rs.2.33 crores, Rs.3.7 crores and Rs.4.8 crores in the bank account of the assesseees respectively. There was no discussion in the assessment order regarding the source for deposit of Rs.7.13 crores, Rs.2.33 crores, Rs.3.7 crores and Rs.4.8 crores in the bank account of the assesseees. Since the AO has not examined the source for deposit of Rs.7.13 crores, Rs.2.33 crores, Rs.3.7 crores

and Rs.4.8 crores in the bank account, he found that the order of the AO is erroneous and pre-judicial to the interest of the Revenue.

4. We have considered the rival submissions on either side and perused the material available on record. Admittedly there was a cash deposit of Rs.7.13 crores, Rs.2.33 crores, Rs.3.7 crores and Rs.4.8 crores in the bank account of the assesseees. The AO has not examined the source for making such deposits. The AO observed that the money received from various closed loans was used for giving new loans. Admittedly, the assesseees are not maintaining any books of account for money lending business. Therefore, it is necessary for the AO to examine the source for making deposit of Rs.7.13 crores, Rs.2.33 crores, Rs.3.7 crores and Rs.4.8 crores respectively. Since the AO has not made any enquiry with regard to source for deposit Rs.7.13 crores, Rs.2.33 crores, Rs.3.7 crores and Rs.4.8 crores in the bank account of the assesseees, this Tribunal is of the considered opinion that the Principal Commissioner has rightly found that the order of the AO is erroneous and pre-judicial to the interest of the Revenue. Therefore the Principal Commissioner has rightly directed the Assessing Officer to redo the assessment after conducting the necessary

enquiries with regard to source of deposit in the bank account of the assessee. Therefore this Tribunal do not find any reason to interfere with the order of the lower authority. Accordingly the same is confirmed.

5. In the result, the appeals of the assessee are dismissed.

Order pronounced on 31st May, 2017 at Chennai.

Sd/-

(डि.एस. सुन्दर सिंह)
(D.S. Sunder Singh)
लेखा सदस्य/Accountant Member

Sd/-

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

चेन्नई/Chennai,
दिनांक/Dated, the 31st May, 2017.

JR.

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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