

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

श्री एन.आर.एस. गणेशन, न्यायिक सदस्य एवं
श्री रमित कोचर, लेखा सदस्य के समक्ष

BEFORE SHRI N.R.S. GANESAN, JUDICIAL MEMBER AND
SHRI RAMIT KOCHAR, ACCOUNTANT MEMBER

ITA Nos.2921 & 2922/Chny/2018

निर्धारण वर्ष /Assessment Years: **2012-13 & 2011-12**

Shri K. Gurumurthy,
356-B, West Avenue,
MKB Nagar,
Chennai-600 039.

v. The Income Tax Officer,
Non-Corporate Ward-11(4),
BSNL Building, Greams Road,
Chennai-06.

[PAN: AAIPG 7393 J]

(अपीलार्थी/ Appellant)

(प्रत्यर्थी/ Respondent)

अपीलार्थी की ओर से/ Appellant by

: Mr.N. Viswanathan, Adv.

प्रत्यर्थी की ओर से /Respondent by

: Mr.A.R.V.Sreenivasan, JCIT

सुनवाई की तारीख/Date of Hearing

: 29.01.2020

घोषणा की तारीख /Date of Pronouncement

: 27.02.2020

आदेश / O R D E R

PER RAMIT KOCHAR, ACCOUNTANT MEMBER:

These two appeals filed by assessee are directed against two separate appellate order(s) both dated 21.08.2018 passed by learned Commissioner of Income Tax (Appeals)-13 , Chennai (hereinafter called "the CIT(A)"), in ITA No. 145/CIT(A)-13/AY2012-13 and ITA No. 145/CIT(A)-13/AY2012-13 for assessment year's (ay's) 2012-13 and 2011-12 respectively , the appellate proceedings before learned CIT(A) had arisen from two separate assessment orders both dated 10.03.2016 passed by learned Assessing Officer (hereinafter called "the AO")

u/s.143(3) read with Section 147 of the Income-tax Act, 1961 (hereinafter called "the Act") for ay: 2012-13 and 2011-12 respectively.

2. The grounds of appeal raised by assessee in memo of appeal filed with Income-Tax Appellate Tribunal, Chennai (hereinafter called "the Tribunal") for ay: 2012-13, read as under:-

Grounds of appeal for the AY 2012-13:

Extract from the Hon. ITO Assessment Order dt. 10.03.2016 for the AY 2012-13 ref-page 2 para 3

During the course of the assessment proceedings the AR was asked to produce sources for cash deposits, conformation for loan, details of interest paid and copy of bank statement. In mean time, copies of bank statement are obtained from the bank on request and the bank statement were examined. The assessee informed during the course of hearing that he could not produce the details for cash deposits as the accountant suddenly left the service. After discussion, the assessee agreed for adopting 'peak credit' method to find out the income on account of cash deposits. Accordingly, peak credit was worked out to Rs.3,05,500/- is added to the total income of the assessee.

Extract from the Hon. CIT(Appeals} Order dt.10.03.2016 for the AY 2012-13 ref-page 9 para 2

The AO has not examined the source of above cash deposits, moreover, complete books of accounts, evidences, various ledger accounts like loan accounts, jewel loan account, commission account, interest accounts could not be furnished before the appeal authority, as the facts remains that the same are not available with the assessee. Therefore, source of cash deposit as such could not be substantiated with evidences, moreover considering the entire cash deposit as unexplained and not giving credit for withdrawal from the bank accounts is tantamount to injustice to the assessee. Therefore, in all fairness in absence of supporting and corroborative evidences considering peak cash credit as unexplained cash in the hands of the assessee appears to be most appropriate and just and proper. Thus the ground of appeal of the assessee that the peak cash credit of Rs.3,05,500/- shall be deleted in view of the assessee now producing reconstructed P&L account, balance sheet and cash book and bank book is found to be incomplete for want of details of respective ledgers in the assessee books of accounts. Hence I confirm the action of the assessing officer to treat peak cash credit as arrived by the assessing officer during the assessment proceedings for Rs.3,05,500/- as unexplained cash credit in the hands of the assessee. The grounds of appeal on the issue is accordingly dismissed.

1. The issues raised by the Hon. ITO in his Asst. Order (extract above) are as follows :-

i) Bank statement were examined.

ii) The assessee informed during the course of hearing that he could not produce the details for cash deposits.

iii) The assessee agreed for adopting 'peak credit' method to find out the income on account of cash deposits.

iv) Accordingly, peak credit was worked out to Rs.3,05,500/- is added to the total income of the assessee.

Hence, primarily the reason for adding Rs.3.05,500/- under peak credit method, is the assessee could not produce the details for cash deposits.

2. The issues raised by the Hon. CIT (Appeals) in his Appeal Order (extract above) are as follows:-

i) The AO has not examined the source of above cash deposits.

ii) Complete books of accounts, evidences, various ledger accounts like loan accounts, jewel loan account, commission account, interest accounts could not be furnished before the appeal authority.

iii) The facts remains that the same are not available with the assessee.

iv) Therefore, source of cash deposit as such could not be substantiated with evidences.

v) Therefore, in all fairness in absence of supporting and corroborative evidences considering peak cash credit as unexplained cash in the hands of the assessee appears to be most appropriate and just and proper.

vi) Thus the ground of appeal of the assessee that the peak cash credit of Rs. 3,05,500/- shall be deleted in view of the assessee now producing reconstructed P&L account, balance sheet and cash book and bank book is found to be incomplete for want of details of respective ledgers in the assessee books of accounts.

vi) Hence I confirm the action of the assessing officer to treat peak cash credit as arrived by the assessing officer during the assessment proceedings for Rs. 3,05,500/- as unexplained cash credit in the hands of the assessee. The grounds of appeal on the issue is accordingly dismissed.

3. Grounds of Appeal:

We humbly submit that the Hon. CIT (A)-13 it appears has erred in law and facts as mentioned below:

i) With reference to point 2(i) above:

a) In the Remand Report in page 2 of para 1 & 2 the Assessing Officers Remarks has clearly mentioned:

b) In para 1 the Hon. A.O. has mentioned the assessee produced below mentioned books of accounts for verification.

c) In para 2 the Hon. A.O. has mentioned "The details submitted by the assessee were examined."

d) The books of accounts submitted includes the cash book and the bank book which was verified by the Hon. A.O. with all the cash deposit entries in the IOB statements and was satisfied that all the cash deposits were reconciled with the books of accounts maintained.

ii) With reference to point 2(ii) above:

a) The Hon. A.O. did not call for any other records and documents for during the Remand Report scrutiny proceedings.

b) The Hon. CIT (A)-13 did not call for any records/any ledgers pointed out in his Order, did not issue any Notice for Hearing and did not express his requirement for these various ledgers to complete the Appeal proceedings.

iii) With reference to point 2(iii) above:

The Hon. CIT (A)-13 statement that "The facts remains (hat the same are not available with the assessee" is presumptive, [as explained in 2(b) above]

iv) With reference to point 2(iv) above:

The Hon. CIT (A)-13 statement that "source of cash deposit as such could not be substantiated with evidences" is incorrect because:

a) The cash book clearly shows the evidences for the source of the cash deposits. The sources for cash deposits as per the Cash Book are namely, Opening cash balance, building rent, tower rent, remuneration and interest on Capital received as Managing Partner from the Partnership Firm, bulk cash withdrawals from the same bank etc.,

b) The cash book entries clearly depicts the source of cash deposits does not arise from "items like loan accounts, jewel loan account, commission account, interest" as mentioned in the CIT (A) Order.

v) With reference to point 2(v) above:

The Hon. CIT (A)-13 statement that "in absence of supporting and corroborative evidences considering peak cash credit" is incorrect because:

As explained (iv) (a) & (b) above there are sufficient supporting and corroborative evidences for the cash deposits in the bank.

vi) With reference to point 2(vi) above:

"The assessee now producing reconstructed P&L account, balance sheet and cash book and bank book is found to be incomplete for want of details of respective ledgers in the assessee books of accounts " is incorrect because:

a) In the Remand Report the Hon. ITO in page 2 thereof he has stated:

- Seen from the cash book and bank book maintained by the assessee for the relevant F. Y. that it shows the cash deposits made into the savings accounts.

- Further perusal of the Original books of accounts, the assessee's version with regard to the damage of books, due to flood appears to be correct.

b) Hence, the Hon. CIT(A)-13 statement, "The assessee now production reconstructed....." is incorrect. Cash book, bank book, P&L account, balance sheet, etc., produced were 'Retrieved' damaged books and not 'Reconstructed.'

vii) With reference to point 2(vii) above:

"Hence I confirm..... "Rs. 3,05,500/- as unexplained cash credit in the hands of the assessee" is incorrect because:

As explained in earlier paras the source for cash deposits in the bank is clearly explained and hence the Peak Credit addition treating as unexplained is incorrect.

Prayer:

The Appellant here by earnestly pray to the Members of the Hon. ITAT that:

- 1) The Hon. Members of the Hon. ITAT may please permit me to file additional grounds of appeal/ submissions which the Appellant may deem necessary.
- 2) The Grounds of Appeal mentioned here in above may be considered favorably and if deem fit allow this Appeal and dismiss the Order of the Hon. CIT(A)-13."

Similar issues are involved for both the years and the assessee has also raised similar grounds for ay: 2011-12.

3. Briefly stated facts of the case are that the assessee is Senior Citizen and has claimed himself to be a freedom fighter and was running an Indian Oil Corporation Gas Agency during the year under consideration . The assessee did not file his return of income for ay: 2012-13 but he had however filed his return of income for ay: 2011-12 with Revenue. We are presently seized of both the aforesaid ay's namely ay's : 2011-12 and 2012-13. The case of the assessee for both the aforesaid assessment years were re-opened by AO by invoking provisions of Section 147/148 of the 1961 Act by issuance of separate notice(s) u/s 148 , both dated 30.10.2014 which in both the case were within four years from the end of

the assessment year. Similar issues are involved in both the years and we are adjudicating both these appeals together. The assessee for ay: 2011-12 filed a letter dated 12.08.2015 stating that return of income filed on 24.10.2011 may be treated as return of income in respect of notice issued u/s.148 of the Act by the AO. While for ay: 2012-13 since the assessee did not file his return of income originally , the assessee in the course of reassessment proceedings in pursuance to notice dated 29.01.2015 issued by AO u/s 142(1) of the 1961 Act filed return of income on 17.07.2015 admitting a total of Rs. 3,46,000/- in response to notice issued u/s 148 of the 1961 Act. During the course of reassessment proceedings conducted by AO u/s 147/148 of the 1961 Act for both the ay's: 2011-12 & 2012-13, the assessee was asked to produce sources for cash deposits, confirmation for loan, details of interest paid and copy of bank statements. The AO in the meantime obtained bank statements directly from bank which were examined by the AO. The assessee submitted before the AO during the course of proceedings that due to the accountant of the assessee leaving his service suddenly, the assessee is not in a position to explain sources of cash deposits which led AO to adopt peak credit method to bring to tax the income which has escaped assessment leading to an addition of Rs. 6,25,500/- being made for ay: 2011-12 to the income of the assessee by AO vide assessment order dated 10.03.2016 passed by AO u/s. 143(3) read with Section 147 of the 1961 Act and similar additions were made by AO in the hands of the assessee to the tune of Rs.3,05,500/- for ay:

2012-13 , vide separate assessment order dated 10.03.2016 passed by AO u/s 143(3) read with Section 147 of the 1961 Act.

4. Aggrieved by an assessment framed by the AO as aforesaid for ay: 2011-12 and 2012-13 vide separate assessment orders, the assessee filed separate appeal(s) with Ld.CIT(A) for both the assessment years. The assessee filed fresh evidences before learned CIT(A) to substantiate its case but both the appeals were dismissed by the Ld.CIT(A) vide separate appellate orders both dated 11.07.2017 passed by learned CIT(A). Thereafter, the assessee filed rectification petition u/s.154 of the Act before Ld.CIT(A) on 18.09.2017 for both the ay's stating that appeal of the assessee was dismissed without considering additional evidences of cash book which was already on record , as sources of cash credits stood explained. The Ld.CIT(A) dismissed said rectification petition(s) for both the years as they were filed manually. The assessee filed another rectification petition(s) u/s.154 before learned CIT(A) for both the years which were filed on 16.10.2017 manually which again were dismissed by Ld.CIT(A) as in view of learned CIT(A) rectification petition u/s 154 of the 1961 Act are to be e-filed. Thereafter, the assessee e-filed rectification petition for both the ay's: 2011-12 and 2012-13 u/s.154 before Ld.CIT(A) electronically and raised grounds for filing the aforesaid rectifications petition. The assessee stated in these rectification petitions that records of the assessee were damaged by floods during December 2015 in Chennai and hence same could not be produced before the AO, when reassessment was completed by AO for both the years on 10.03.2016. It was also

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explained by assessee that the accountant of the assessee left service and hence he could not made proper representation before the AO during the course of reassessment proceedings. The assessee also stated that during the course of original appellate proceedings conducted by Ld.CIT(A) , the assessee has produced additional evidences explaining cash deposits by way of computerized cash book and bank book. The assessee also filed books of accounts for verification along with balance sheet , P&L A/c, Indian Overseas Bank book maintained for fy's, cash book(s) maintained and ITR acknowledgment(s) for both the years. The matter was remanded by Ld.CIT(A) to AO for necessary verification and for submission of remand report. The AO admitted in its Remand report that assessee was prevented to produce the relevant records before the AO during the course of the assessment proceedings due to floods in Chennai. The AO also admitted in remand report that aforesaid documents were filed, the copy of remand report is produced for ay: 2011-12 is reproduced hereunder:

"GOVERNMENT OF INDIA
OFFICE OF THE INCOME TAX OFFICER,
Non Corporate Ward-11(4), Room No.206, 2nd Floor,
Tower II, BSNL Building, 16.Greams Road, Chennai-600 006.
NOTICE U/S 271 (1) (C) R.W.S 129 OF THE INCOME TAX ACT, 1961

PAN: AATPG7393J/ NCW-11(4)/ REMAND REPORT/2018-19 Dated: 30/07/2018

To
The Commissioner Of Income-Tax (Appeals)-13,
121, Mahatma Gandhi Road,
Chennai-600 034.

Respected Sir,

Sub: Remand Report in the case of Shri. K. Gurumuthy-PAN: AAIPG7393J – AY: 2011-12 - reg.

Ref: Remand report under rule 46A of Income Tax Rules 1962 letter Dated 13.06.2018 from the O/o CIT(A)-13 in ITA No. 146/AY 2011-12/RR/CIT(A)-13.

Kind reference is solicited to the above.

At the outset, I hereby tender my sincere apology, for not submitting Remand Report, as per the direction of the learned CIT (A), at first instance. The revised remand report is submitted as under:

During the course of remand report proceedings the assessee along with authorized representative appeared before the undersigned. It was submitted by the assessee that due to heavy rain during the month of November and December 2015 the records of the assessee were damaged & due to this books of accounts could not be produced during the course of assessment proceedings. Further the assessee produced, retrieved original books of accounts for verification. Perusal of the books of accounts, the assessee's version regarding damage of books of accounts appears to be correct.

The assessee produced below mentioned books of accounts for verification:

- 1. Balance Sheet as on 31.03.2011*
- 2. Profit & Loss account for the F.Y. 2010-11*
- 3. Indian Overseas Bank book maintained in the books of assessee for the F.Y. 2010-11.*
- 4. Cash Book maintained in the books of the assessee for the F.Y. 2010-11*
- 5. Income tax Acknowledgement for the A.Y. 2011-12,*

Assessing Officers Remark

The details submitted by the assessee were examined, It was seen from the Cash book & Bank book maintained by the assessee for the relevant F.Y. that it shows the cash deposits, made into the savings bank account. Further perusal of original books of accounts the assessee's version with regard to damage of books, due to flood appears to be correct.

It is humbly requested, that the appeal of the assessee may be decided on merits of the case.

Yours faithfully
Sd/-
(MANOJ RAJ MINZ)
Income tax Officer
Non-Corporate Ward-11 (4)
Chennai-600 006

The assessee was confronted with remand report by Ld.CIT(A) and assessee submitted that the assessee has submitted all details / explanations including sources of cash deposits before AO in remand report proceedings and nothing more is required to be said and prayers were made to delete additions as were made by the AO. The Ld.CIT(A) rejected contentions of the assessee , by holding as under:

"Decision:

The appellant filed rectification petition u/s 154 stating that the undersigned has not considered the additional evidences submitted in the course of appeal proceedings. The appellant contended that the very basis on which peak cash credit method is to be applied is, when the appellant is completely unable to explain the source of cash credit. In the present case the appellant submitted that he has provided source of cash credit (cash book having positive cash balance) even though not during the assessment proceedings but at the time of Appeal proceedings. The appellant further submitted that the non co-operation and non submission of relevant documents at the time of assessment proceedings were due to some unavoidable circumstances and clarified it was neither intentional nor willful, because of which he could not produce the books of accounts which lead to the addition of peak credit of Rs. 6,25,500/- for the year under consideration. The appellant requested not to invoke any future penalty proceedings since non submission of books of accounts was due to natural event which is act of God and beyond the control of bonafide appellant.

The appellant's above submissions has been carefully considered. The additional submission of cash book as new evidence submitted during the course of appeal proceedings, which originally could not be submitted before the Assessing Officer was remanded to the AO and was asked to submit a remand report after considering the new evidence by giving an opportunity of being heard to the appellant. The AO after considering the additional evidence submitted the Remand Report the same is reproduced here under:

"During the course of remand report proceedings the assessee along with authorized representative appeared before the undersigned. It was submitted by the assessee that due to heavy rain during the month of November and December 2015 the records of the assessee were damaged & due to this books of accounts could not be produced during the course of assessment proceedings. Further the assessee produced books of accounts, the assessee's version regarding damage of books of accounts appears to be correct.

The assessee produced below mentioned books of accounts for verification:

- 1. Balance Sheet as on 31.03.2011*
- 2. Profit & Loss account for the F.Y. 2010-11*
- 3. Indian Overseas Bank book maintained in the books of accounts for the F.Y. 2010-11*
- 4. Cash Book maintained in the books of the assessee for the F.Y. 2010-11.*
- 5. Income tax Acknowledgement for the A.Y. 2011-12.*

Assessing Officer Remark

The details submitted by the assessee were examined. It was seen from the book & Bank book maintained by the assessee for the relevant F.Y. that it the cash deposits, made into the savings bank account. Further perusal of original books of accounts the assessee's version with regard to damage of books, due to flood appears to be correct.

It is humble requested, that the appeal of the assessee may be decided on merits of the case."

The copy of this remand report was also made available to the appellant for his rebuttal. The AR replied to the remand report by rebuttal dated 14.08.2018 stating s under:

Rebuttal to Remand Report

Sub: Rebuttal to remand report in the case of Shri. K. Gurumurthy - PAN: AAIPG7393J - AY: 2011-12

Ref: Remand report under rule 46A of Income Tax Rules 1962 letter Dt.13.06.2018 from the O/o CIT(A)-13 in ITA No: 146/AY 2011-12/RR/CIT(A)-13.

We have received and have noted the contents of the Remand Report dt. 30.07.2018 issued by the Hon.ITO NCW-11(4) Chennai, with respect to the AY 2011-12.

We do not have any point to rebut the contents of the Remand Report, since the Hon. ITO has accepted all of our submissions.

We have enclosed herewith the following:

1. Copy* of letter dt. 17.05.2018 submitted to Hon. ITO NCW 11(4). *(PDF copy and editable word file)
2. Copy ITR ack AY 2011-12
3. Copy of Balance sheet for the FY 2010-11
4. Copy of Profit & Loss a/c for the FY 2010-11
5. Copy of IOB bank book and Cash book for the FY 2010-11

Prayer:

We earnestly pray to the HON. CIT (A) 13 to kindly consider and accept our submissions.

The AO was required to verify the source of cash deposit appearing in the bank accounts. The assessee has re-constituted cash books based on withdrawal and deposits from the bank accounts. But has not explained the source from where the cash has been generated which was then deposited into a bank account. Thus, even during the remand report proceedings, the assessee has failed to explain the source of cash deposit made in the bank account with Indian Overseas Bank for Rs.49,69,427/- as evident from Indian Overseas Bank Book constructed by the assessee as his books of accounts under:

Apr-10	261588
May-10	44720
Jun-10	314220
Jul-10	501720
Aug-10	203904
Sep-10	1050078
Oct-10	107450
Nov-10	72079
Dec-10	202785
Jan-11	43100
Feb-11	1150283
Mar-11	1049000
	49,69,427

The AO has not examined the source of above cash deposits, moresoever, complete books of accounts, evidences, various ledger accounts like loan accounts, jewel loan account, commission account, interest accounts could not be furnished before the appeal authority, as the facts remains that the same are not available with the assessee. Therefore, source of cash deposit as such could not be substantiated with evidences, moreover considering the entire cash deposit as unexplained and not giving credit for withdrawal from the bank accounts is tantamount to injustice to the assessee. Therefore, in all fairness in absence of supporting and corroborative

evidences considering peak cash credit as unexplained cash in the hands of the assessee appears to be most appropriate and just and proper. Thus the ground of appeal of the assessee that the peak cash credit of Rs. 6,25,500/- shall be deleted in view of the assessee now producing reconstructed P&L account, balance sheet and cash book and bank book is found to be incomplete for want of details of respective ledgers in the assessee books of accounts. Hence I confirm the action of the assessing officer to treat peak cash credit as arrived by the assessing officer during the assessment proceedings for Rs. 6,25,500/- as unexplained cash credit in the hands of the assessee. The grounds of appeal on the issue is accordingly dismissed.

In the result, the appeal of the assessee is dismissed."

5. Aggrieved by separate appellate orders both dated 21.08.2018 passed by learned CIT(A) for both ay's , the assessee has filed two seperate appeals before tribunal. Since common issues are involved both these appeals are disposed off by this common order. The learned counsel for assessee made contentions before the Bench that assessee has discharged his onus and all the details as to sources of cash deposits were duly explained in remand proceedings before AO and before Ld.CIT(A). It was stated that there was flood/rains in Chennai in December 2015 which led to damage to the records/books of accounts and hence when assessment proceedings were going on before AO, the assessee could not produce relevant documents/records and it is explained that later on said documents including cash book and sources of cash deposits were duly produced before AO & Ld.CIT(A) and proper explanations were submitted. It is prayed that additions to the income as were made by authorities below by adopting peak cash method be deleted. It was further stated before the Bench by learned counsel for the assessee that accountant of the assessee left when reassessment proceedings were going on which also led to non-production of documents before the AO. The Ld.DR relied upon orders of the lower authorities.

6. We have considered rival contentions and perused the material on record. We have observed that assessee is Senior Citizen and has claimed himself to be a freedom fighter and running an IOC Agency during the year. The assessee filed his return of income originally with AO for AY 2011-12, but no return of income was originally filed for ay: 2012-13. The case of the assessee was reopened by Revenue by invoking provisions of Section 147/148 of the 1961 Act for both the ay's: 2011-12 and 2012-13. The said reopening of concluded assessment was done by AO for both the ay's within four years from the end of assessment year . We have observed that assessee could not produce books of accounts and other documents/records during assessment proceedings owing to floods/rains in Chennai in December 2015 as it was claimed that records/documents were damaged in rains/floods. The assessment was completed in March 2016 by AO for aforesaid ay's. The said factum of damage to records in floods/rains in Chennai was later proved to be correct as accepted by AO in remand report. The assessee during appellate proceedings conducted by learned CIT(A) filed reconstructed records including cash books , bank book etc but learned CIT(A) dismissed appeal(s) filed by the assessee for both the ay's. Later the assessee filed three rectifications petitions u/s 154 of the 1961 Act before learned CIT(A), the first two were dismissed by learned CIT(A) as the same were filed manually while the third rectification petition u/s 154 was e-filed which was later adjudicated by learned CIT(A) on merits. The learned CIT(A) called for remand report from AO wherein AO accepted contention of the assessee that it is due to

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flood/rains in Chennai the assessee could not produce its record. The following documents were admittedly produced before the authorities below which is acknowledged by authorities below:

1. Copy* of letter dt. 17.05.2018 submitted to Hon. ITO NCW 11(4). *(PDF copy and editable word file)
2. Copy ITR ack AY 2011-12
3. Copy of Balance sheet for the FY 2010-11
4. Copy of Profit & Loss a/c for the FY 2010-11
5. Copy of IOB bank book and Cash book for the FY 2010-11

Similar records were also produced for ay: 2011-12 by assessee before learned CIT(A) and AO during remand proceedings. The Ld.CIT(A) observed that source for cash deposits were not explained with the cogent evidences. The assessee has tried to explain the sources of cash deposits before us through cash/bank book filed before us by way of withdrawals from banks, rent , partner remuneration from firm etc. which need verification. We have also at the same time observed that no specific deficiencies were pointed out by authorities below in the cash/bank books while generalized adverse comments were made by authorities below. To be fair and reasonable to both the parties and to render justice, in our considered view, there is a need for verification of cash/bank book entries vis-à-vis cash deposits and co-relation with income declared by assessee before Revenue in the return of income filed and consequently due taxes paid to revenue on such income claimed to be sources of deposits. Thus for this limited verification ,we are restoring the matter back to the file of the AO for both the years as similar issues are involved. The AO is directed to go through records produced by assessee and to point out specific defects /escarpment of income leading to culmination of income

which had escaped assessment and which needed to be brought to tax in the hands of the assessee instead of making generalized comments. We order accordingly.

7. In the result, the appeals filed by assessee in ITA Nos.2921 & 2922/Chny/2018 for ay: 2012-13 & 2011-12 are allowed for statistical purposes.

Order pronounced on the 27th day of February, 2020 in Chennai.

Sd/-

(एन.आर.एस. गणेशन)

(N.R.S. GANESAN)

न्यायिक सदस्य/**JUDICIAL MEMBER**

Sd/-

(रमित कोचर)

(RAMIT KOCHAR)

लेखा सदस्य/**ACCOUNTANT MEMBER**

चेन्नई/Chennai,

दिनांक/Dated: 27th February, 2020.

TLN

आदेश की प्रतिलिपि अग्रेषित/**Copy to:**

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