

आयकर अपीलीय अधिकरण, 'ए'(एस एम सी) न्यायपीठ,चेन्नई  
**IN THE INCOME TAX APPELLATE TRIBUNAL  
'A' (SMC) BENCH, CHENNAI**

श्री महावीर सिंह, उपाध्यक्ष के समक्ष  
**BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT**

आयकर अपील सं./ITA No.: 168/CHNY/2023

निर्धारण वर्ष/Assessment Year:2017-18

**Ms. Subaira Parvin Seeni  
Ibrahim,**  
8/168, Palankottai Street,  
Devipattinam,  
Ramanad – 623 514.

**The Assistant Commissioner  
of Income Tax,**  
Vs. International Taxation Circle,  
Madurai.

**PAN: HGRPS 1751Q**

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

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

: None  
: Shri G.Suresh, JCIT

सुनवाई की तारीख/Date of Hearing : 03.01.2024

घोषणा की तारीख/Date of Pronouncement : 10.01.2024

**आदेश / O R D E R**

This appeal by the assessee is arising out of the order of the Commissioner of Income Tax (Appeals)-16, Chennai in ITA No.37/CIT(A)-16/2020-2021 dated 14.12.2022. The assessment order was passed by the Assistant Commissioner of Income Tax, International Taxation Circle, Madurai for the assessment year 2017-

18 u/s.143(3) of the Income Tax Act, 1961 (hereinafter the 'Act') vide order dated 11.12.2019.

2. The only issue in this appeal of assessee is against the order of CIT(A) confirming the action of the AO in making addition of cash deposit in demonetized Specified Bank Notes (SBNs) during demonetization period amounting to Rs.31,00,000/-.

3. Brief facts are that the assessee is a non-resident individual and filed her return of income for relevant assessment year 2017-18 on 03.01.2018. The assessee's case was selected for scrutiny as the assessee has applied for PAN after the date of announcement of demonetization and deposits are made during demonetization period. The AO noted that the assessee has made deposit of cash of Rs.31,00,000/- in SBNs during demonetization period in her savings bank account maintained with ICICI Bank. The AO required the assessee to explain the source of cash and assessee explained as under:-

*“6. In response, assessee's authorized representative, filed a reply on 2.12.2019 stating that the source for cash deposit of Rs.900000/- each on 27.12.2016 and 28.12.2016 in A/c no.617101500232 and Rs.900000/- and Rs.400000/- on 27.12.2016 and 28.12.2016 in a/c no.6171001500835 totalling to Rs.3100000/- is as under:-*

<i>Collection from Sundry debtors</i>	<i>Rs.1100000</i>
<i>Gifts from close relatives deposited</i>	<i>Rs.700000</i>
<i>Loan returned, collected and deposited</i>	<i>Rs.500000</i>
<i>Advance paid in early returned for non-compliance of sale and deposited</i>	<i>Rs.800000</i>
<i>Total</i>	<u><i>Rs.3100000</i></u>

As the assessee has not submitted any details of any business, any amount given to sundry creditors, sources of gift received from close relatives, loan collected or returned by the person to whom loan was given and advance paid in early returned for non-compliance. In the absence of any details, the AO made addition of cash deposit of Rs.31,00,000/- as unexplained money u/s.69A of the Act. Aggrieved, assessee preferred appeal before CIT(A).

4. Before CIT(A) also, assessee explained the source as under:-

<i>Date of Dep.</i>	<i>Bank Name &amp; Account Number</i>	<i>Amount deposited</i>	<i>Remarks</i>
<i>27.12.2016</i>	<i>ICICI Bank, Devipattinam No.617101500232 (Joint Account with Sulthan Syed Ibrahim)</i>	<i>9,00,000/-</i>	<i>The Cash deposited were the realization from the debtors and loans/deposits which were hitherto was lying with the third parties. These third parties are basically fishermen community in the neighborhood areas, where the collection of monies is posing greater difficulty to</i>
<i>28.12.2016</i>	<i>ICICI Bank, Devipattinam No.617101500232 (Joint Account with Sulthan Syed Ibrahim)</i>	<i>9,00,000/-</i>	
<i>27.12.2016</i>	<i>ICICI Bank, Devipattinam, No.617101500835 (Singly held by the Appellant)</i>	<i>9,00,000/-</i>	
<i>28.12.2016</i>	<i>ICICI Bank, Devipattinam No.617101500835 (Singly</i>	<i>4,00,000/-</i>	

	<i>held by the Appellant)</i>	<i>suppliers/commission agents. Moreover, big traders have started to default the payments taking the shelter of demonetization and lull in the business. However, the appellant's representatives have made considerable effort in collection of the outstanding.</i>
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Apart from the above, the assessee could not file any details and hence, the CIT(A) confirmed the addition. Aggrieved, now assessee is in appeal before the Tribunal.

5. Before me, none is present from assessee's side despite this matter was fixed nine times. However, written submissions of the assessee in its paper-book consisting of 1 to 29 pages are enclosed but these written submissions does not contain any evidence in regard to explanation of sundry creditors, gift received from relatives, loan returned, collected and deposited, advance paid in earlier return and deposits made in bank account. Once there is no evidence and assessee is a non-filer, I have no alternative except to confirm the order of CIT(A). Hence considering the facts and circumstances in

entirety, I confirm the order of the CIT(A) and that of the AO and dismiss this issue of assessee's appeal.

6. The next issue raised by assessee is as regards to assumption of jurisdiction that notice u/s.143(2) of the Act is issued by non-jurisdictional AO. For this, assessee has raised the following ground:-

*“E. Without prejudice to the above, the Appellant submits that the Notice u/s.143(2) of the Act issued by the non-jurisdictional officer viz., ITO, Ward 2, Ramnad, renders the assessment null and void.”*

7. I have heard Id. Senior DR and gone through facts and circumstances of the case. I noted that the assessee has applied for PAN after demonetization was announced and this fact is noted by the AO in para 10 as under:-

*“10. Assessee has applied for PAN after the demonetization was announced on 8.11.2016 and deposited the cash in her hand on 27.12.2016 and 28.12.2016 in two different bank accounts held with ICICI Bank, Devipattinam Branch. Assessee did not respond to the cash transaction query raised by the Department in the year 2017. However, assessee filed return of income for first time on 03.01.2018 for A.Y. 2016-17 and A.Y. 2017-18. For A.Y. 2016-17, income is admitted from business and for AY 2017-18, income is admitted from salary. No details regarding the nature of business or details of employer are furnished for verification.”*

The AO issued notice u/s.143(2) of the Act dated 22.09.2018 by jurisdictional AO i.e., Income Tax Officer, Ward-2, Ramnad and the

jurisdiction of the assessee was transferred to the Deputy Commissioner of Income Tax, International Transaction only on 18.09.2019 whereas assessee filed return of income only on 03.01.2018. The transfer of jurisdiction to DCIT, International Taxation is noted by AO in para 4 as under:-

*“4. As the assessee was residing outside India and had mentioned residential status as NRI, the file was transferred to the office of DCIT, International Taxation on 18.9.2019.”*

After hearing Id. Senior DR and going through the facts, I find no infirmity in the notice issued by the Income Tax Officer, Ward-2, Ramnad dated 22.09.2018 and hence, I reject this ground raised by assessee and dismiss this issue of assessee's appeal.

8. In the result, the appeal filed by the assessee is dismissed.

Order pronounced in the open court on 10<sup>th</sup> January, 2024 at Chennai.

Sd/-

(महावीर सिंह)

**(MAHAVIR SINGH)**

उपाध्यक्ष /VICE PRESIDENT

चेन्नई/Chennai,

दिनांक/Dated, the 10<sup>th</sup> January, 2024

**RSR**

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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