

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)

CHENGALPATTU DISTRICT BRANCH (SIRC)

(Formerly Known as Kanchipuram District Branch)

E-Newsletter - April 2025



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ARTICLES INVITED FROM MEMBERS

Note: Articles are invited from members for publishing in Newsletter. The articles shall be either on the specific subject or a general article. Members can send their articles with Name, Membership Number, Mobile Number, Residential Address, Office Address & Photo to our E-mail id mentioned below:

E-mail id: chengalpattu@icai.org

Note: The views expressed in the articles published, are their own views and Chengalpattu District Branch (SIRC) does not endorse or take responsibility.

From the Chairman's Desk

Dear Esteemed Members,

With April being the peak of the bank audit season, many of our members are engaged in statutory audits. I extend my best wishes to all members undertaking these critical assignments and commend your dedication to upholding audit integrity.



CA. SHIVACHANDRA REDDY K

The Institute of Chartered Accountants of India (ICAI) successfully hosted the All India Managing Committee Members Meet (AIMCMM 2025) in New Delhi from March 21st to 23rd. This three-day orientation program brought together over 1,400 Regional Council Members, Managing Committee Members, Convenors, and Deputy Convenors of CPE Study Circles and Chapters. The discussions focused on ICAI's governance, strategic vision, and its alignment with VIKSIT BHARAT, fostering collaboration to drive excellence.

The event was inaugurated by Chief Guest Shri P.P. Chaudhary, Hon'ble Member of Parliament (Lok Sabha), Chairperson, JPC-One Nation One Election, and Former Union Minister of State. He commended ICAI's role in ensuring financial transparency, compliance, and economic growth and applauded the enthusiasm of participants.

AIMCMM 2025, guided by ICAI President CA. Charanjot Singh Nanda, revolved around the theme "VISHWASNIYA" – symbolizing trust and reliability in the accounting profession.

The event provided a valuable platform for insightful discussions, meaningful networking, and strategic alignment with ICAI's long-term goals.

ICAI Leadership Engagement at SIRC-ICAI Chennai Meet On March 28, 2025,

CA. Charanjot Singh Nanda, President-ICAI, addressed members at a special ICAI Members Meet hosted by SIRC-ICAI in Chennai. The event witnessed active participation from CCMs, Past Presidents, Past CCMs, and SIRC Members, fostering meaningful discussions on ICAI's vision and future initiatives.

March 2025 – Key Initiatives & Programs

For Members

◆ AICA Certificate Course – 3rd Batch

Enhanced members' expertise in financial automation, AI-driven accounting solutions, and data analytics to improve efficiency and decision-making.

◆ Audit Automation (Under DAAB)

Focused on AI-driven risk assessments, automated audit tools, and digital transformation to enhance audit quality and compliance.

◆ International Women's Day – "Aspire, Adapt, Achieve" (WYMEC)

Celebrated women professionals' contributions while promoting leadership, inclusivity, and career development.

◆ Real Estate Sector: Applicability of GST & Income Tax Act and Rules

Provided clarity on ITC claims, RERA provisions, capital gains taxation, and GST implications on real estate transactions.

◆ Bank Branch Audit Seminar (Under AASB)

Covered LFAR reporting, IRAC norms, NPA classification, fraud detection, and risk-based auditing methodologies to ensure high-quality bank audits.

The overwhelming response to these programs highlights members' commitment to lifelong learning and professional excellence.

For Students

🎓 Half-Day Seminar on Clubbing of Income, Set-Off & Carry Forward, and Cracking the 21 Clauses of CARO 2020

🎓 Workshops on Bank Audit – Covered Planning & Documentation, IRAC Norms, LFAR, Practical Case Studies, and Technology in Audits.

🎓 Workshop on GST Monthly Returns

🎓 Fast-track revision classes for Foundation and Intermediate students to support May 2025 exam preparation.

Career Counselling Initiatives

📌 Hosted by Career Counselling Committee, ICAI. attended by Career Counselling Committee Chairman CA. Durgesh Kumar Kabra, Programme Coordinator CA. Rajendra Kumar P, CCM and members of Chengalpattu district branch in the Dinakaran Education Expo 2025 (March 29-30) Chennai Trade Center, inaugurated by Dr. Govi Chezhaan, Higher education minister of Tamilnadu.

📌 Also ICAI will showcase career opportunities in accounting and finance, encouraging students to explore the CA profession in the Hindu Education Expo 2025 Scheduled on April 5th & 6th at Chennai Trade Center

ANNUAL CPE MEMBERSHIP 2025-26

📌 Renew your membership promptly to ensure uninterrupted access to learning programs, CPE compliance, and professional development.

I look forward to your active participation in upcoming initiatives and wish you all success in your professional and academic endeavors!

Best regards,

CA. Shivachandra Reddy K

Chairman, Chengalpattu District Branch (SIRC)

The Institute of Chartered Accountants of India

PHOTO GALLERY

Special Programme

Programme : All India Managing Committee Members Meet 2025

Date & Day: 21st, 22nd and 23rd March 2025 (Friday, Saturday and Sunday)

Venue : Hotal Andaz Aerocity, New Deldhi



Special Programme

Programme : Meet & Greet with President, ICAI

Date & Day: 28th March 2025 (Firday)

Venue : P Brahmayya Memorial Hall ICAI Bhawan, Nungambakkam



Special Programme

Programme : Dinakaran Education Expo 2025

Date : 29th & 30th March 2025, (Saturday & Sunday)

Venue : Chennai Trade Centre - Nandambakkam



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Certificate Course

Topic : Certificate Course on AI for Chartered Accountants (AICA)

Speaker : Mr. Sachin Dedhia, Mr. Ramajayam Jayachandran and Mr. Premnath Degala

Date : 3rd March to 5th March 2025 (Monday, Tuesday and Wednesday)

Time : 10:00 AM to 6:00 PM

Venue : Our Branch Premises



CPE MEETING

Topic : Audit Automation

Speaker: CA. Sounder Rajan S P

Date & Day: 8th March 2025 (Saturday)

Time : 3:00 PM to 5:00 PM

Venue : Mushiga AC Hall, Tambaram



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CPE MEETING

Topic : International Women's day - Aspire Adapt Achieve - Pioneering Change, Setting Trends

Speaker : CA. Umamaheswari R, CA. Aarthi H, CA. Pavithra S, CA. Jayashree and
CA. Karthika Saipriya

Date & Day: 8th March 2025 (Saturday)

Time : 5.00 PM to 7.00 PM

Venue : Mushiga AC Hall,Tambaram



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CPE Meeting

Topic : Different scenarios requiring valuation

Speaker : CA. Chitra C V

Date & Day: 15th March 2025 (Saturday)

Time : 5:30 PM to 7:30 PM

Venue : Flat Promoters Association East Tambaram



CPE Meeting

Topic : Applicability of GST Act & Rules and Dos and Dont's under Income Tax for Real Estate Sector

Speaker : CA. Sankar V and CA. Manimaran Kathiresan

Date & Day: 18th March 2025 (Tuesday)

Time : 4:00 PM to 7:00 PM

Venue : Lions Host Club Hall, Kanchipuram



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CPE Meeting

Topic : Workshop on Bank Branch Audit

Speaker : CA. Subhashini Ganapathy, CA. Prakash R, CA. Sundararajan R and CA. Ramesh S

Date & Day: 20th March 2025 (Thursday)

Time : 10:00 AM to 5:00 PM

Venue : Accord Chrome, CLC Works Road, Chromepet



E-Newsletter - Chengalpattu District Branch (SIRC)



Upcoming Programs



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)
CHENGALPATTU DISTRICT BRANCH (SIRC)
NEAR TAMBARAM SANATORIUM RAILWAY STATION

இந்திய பட்டய கணக்காளர்கள் நிறுவனத்தின்
செங்கல்பட்டு மாவட்ட கிளை (SIRC)
தாம்பரம் சானிடோரியம் ரயில் நிலையம் அருகில்
தங்களை அன்புடன் அழைக்கிறது

CA
சார்ட்டர்ட்
அக்கவுண்டன்ட் ஆக
வேண்டுமா ?

**பள்ளி, கல்லூரி
மாணவர்கள், ஆசிரியர்கள்,
பெற்றோர்கள் அனைவரும்
கலந்து கொள்ளலாம்**

வழிகாட்டுகிறோம்..
வாருங்கள்..!

**அனுமதி
இலவசம்**
Coaching classes
commence from last week
of May 2025 for
Foundation & Intermediate
QR Code for Enquiry



**HELP DESK FOR
CAREER COUNSELLING**
**The Hindu - Education Plus
Career Counseling Fair 2025**
5th & 6th April 2025
Chennai Trade Centre, Convention Hall,
Stall No . B,
Nandambakkam, Chennai

விவரங்களுக்கு:
044-22390098 | 8056244300 | 7550009811

CHENGALPATTU DISTRICT BRANCH (SIRC)
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LEGAL UPDATES

by



CA. SIVAGURUNATHAN T

Indian Stamp Act, 1899 – Tamil Nadu Act 13 of 2024 amending stamp duty rates for certain instruments in Indian Stamp Act, 1899 – applicable to the State of Tamil Nadu.

NEW STAMP DUTY STRUCTURE ON INSTRUMENTS

[with effect from 03.05.2024]

Article Number	Description of Instrument	Stamp Duty [Before Amendment]	Stamp Duty [After Amendment]
3	Adoption deed	INR 100	INR 1,000
4	Affidavit	INR 20	INR 200
5(j)	Agreement otherwise provided for) (Not provided for)	INR 20	INR 200
10	Articles of Association	INR 300	INR 500 on every ten lakh rupees of authorised capital max. 5 Lakhs
17	Cancellation	INR 50	INR 1,000
24	Copy of Extract	INR 20	INR 100

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Article Number	Description of Instrument	Stamp Duty [Before Amendment]	Stamp Duty [After Amendment]
25(b)	Counterpart or Duplicate	INR 20	INR 500
34	Indemnity Bond	INR 80	INR 500
35(a)	Lease where the period of lease is below thirty years	1% on the rent, fine, premium or advance, if any payable.	1% on the rent, fine, premium or advance or security deposit, whether repayable or not.
35(b)	Lease where the period of lease is above thirty years and up to ninety-nine years	4 % on the rent, fine, premium or advance, if any payable.	4 % on the rent, fine, premium or advance or security deposit, whether repayable or not.
35(c)	Lease where the period of lease is above ninety-nine years	7% on the rent, fine, premium or advance, if any payable.	7% on the rent, fine, premium or advance or security deposit, whether repayable or not.
39	Memorandum of Association	INR 500	INR 200
42	Notarial Act	INR 10	INR 20
45(b)	Partition deed executed between non-family members	4% for the amount of the value of the separated shares of the property	4% for the amount of the market value of the separated shares of the property
46A	Partnership	INR 300	INR 1000

Article Number	Description of Instrument	Stamp Duty [Before Amendment]	Stamp Duty [After Amendment]
48 (a)	Power of attorney executed solely for registration or admitting execution	INR 5	INR 500
48 (b)	Power of attorney when authorizing one person or more to act in a single transaction other than the case mentioned in clause 48(a)	INR 15	INR 500
48 (c)	Power of attorney when authorizing not more than five persons to act jointly and severally in more than one transaction or generally	INR 100	INR 1000
48(d)	Power of attorney when authorizing more than five but not more than ten person to act jointly and severally in more than one transaction or generally.	INR 175	INR 1000

Article Number	Description of Instrument	Stamp Duty [Before Amendment]	Stamp Duty [After Amendment]
48(e)	Power of Attorney to sell immovable property for consideration	4% on consideration	5% on market value of the immovable property
48(f)	Power of Attorney without consideration granted in favour of family member	INR 20	INR 1000
48(g)	Power of Attorney without consideration granted in favour of non- family member (newly inserted)	---	1% on market value of the immovable property
48(h)	Power of attorney in any other case	—	INR 1000
54	Reconveyance of Mortgaged Property	INR 80	INR 1000
57	Security Bond	INR 80	INR 500
58(b)	Revocation of Settlement	INR 80	INR 1000
61	Surrender of lease	INR 40	INR 1000

Article Number	Description of Instrument	Stamp Duty [Before Amendment]	Stamp Duty [After Amendment]
62 (e)	Transfer relating to trust	INR 30	INR 1000
64 (a)	Declaration of Trust	INR 180	INR 1000
64(b)	Revocation of Trust	INR 120	INR 1000

Note:

Section 35 of Indian Stamp Act, 1899

Instruments not duly stamped inadmissible in evidence, etc.

“No instrument chargeable with duty shall be admitted in evidence for any purpose by any person having by law or consent of parties authority to receive evidence, or shall be acted upon, registered or authenticated by any such person or by any public officer, unless such instrument is duly stamped or if the instrument is written on sheet of paper with impressed stamp, such stamp paper is purchased in the name of one of the parties to the instrument”



**INCORRECT CLASSIFICATION CANNOT BE INCLUDED
UNDER THE SCOPE OF SUPPRESSION**

by



CA. Shaikh Abdul Samad Ahmed

'WILFUL MISSTATEMENT VS. INTERPRETATION		
DEFINITION	EXAMINATION	EXAMPLE
1 Definition: 2 Deceptive false statement 3 Attracts liability	Frabuefate intt Urteelerte penalties s itteloue penalties	Undrporting penalties claiming ITC. with a new sale penalty
2 Eretadation	Attracts intents	Artarctssle penalties
2 Attracting penalties	Attracts penalties	- Burdent of prof
1 Attracting penalties	On acts messacr	Burdent of proff
2 Burdent of prof	On actressacr of penalties	- clarmien of proff
2 Burden of prof	without penaty	justfication with a legal prefererits

If a taxpayer consistently filed tax returns using a specific product classification, and the tax authorities were fully aware of these filings and the classification used, then any subsequent disagreement on the classification cannot be considered a deliberate attempt to hide information. Consequently, penalties for intentional fraud or concealment (as outlined in section 74) should not be imposed. **X'SS Beverage Co. Versus State of Assam**

Court Held that:

The legal principle, established in cases like CCE v. Chemphar Drugs & Liniments and Anand Nishikawa Co. Ltd. v. Commissioner of Central Excise, Meerut, dictates that "willful suppression" of facts, which triggers penalties under Section 74, necessitates a deliberate act of concealing information with a mala fide intent to evade taxes, not mere inadvertence or differing interpretations. These judgments emphasize that if the tax authorities were consistently aware of the taxpayer's filings and classification choices, any subsequent dispute cannot be deemed "suppression."

Applying this to the petitioner's situation, where returns were filed consistently based on a known classification and the revenue was aware of these filings without prior objections, there is no evidence of deliberate information withholding. As such, the established legal precedent clarifies that the petitioner's actions do not meet the criteria for "willful suppression" or "concealment with mala fide intention," and therefore, the imposition of penalties under Section 74 is unwarranted.

Authors View:

Explanation 2 of Section 74 broadly defines "suppression" as the non-declaration of required information. However, judicial interpretations have narrowed this scope by requiring a willful intent to conceal, accompanied by bad faith, for penalties to apply. Therefore, the argument that consistent filings known to the revenue negate deliberate concealment holds merit, as it directly addresses the crucial intent element. Even if a technical non-declaration occurred, the absence of malafide intent as required by judicial precedent prevents the invocation of Section 74 penalties.

THE RE-ASSIGNMENT OF LEASEHOLD RIGHTS IS EXPLICITLY EXCLUDED FROM THE DEFINITION OF 'SUPPLY' UNDER GST.

Assignment by sale and transfer of leasehold rights of plot of land allotted by State industrial development corporation to lessee in favour of third party-assignee for a consideration would be assignment/sale/transfer of benefits arising out of 'immovable property' by lessee-assignor in favour of third party-assignee who would become lessee of GIDC in place of original allottee-lessee - In such circumstances, provisions of section 7(1)(a) providing for scope of supply read with clause 5(b) of Schedule II and clause 5 of Schedule III would not be applicable to such transaction of assignment of leasehold rights of land and building and same would not be subject to levy of GST as provided under section 9 **Gujarat Chamber of Commerce and Industry Versus Union of India**

Court Held that:

Essentially, this legal argument revolves around whether the transfer of leasehold rights in land and buildings should be considered a "supply of service" under the Goods and Services Tax (GST) Act, or a "sale of immovable property." The core point is that while a lease grants certain rights, a complete transfer of those rights, along with the building, effectively becomes a sale of property. The GST Act specifically excludes the sale of land and buildings from its purview, meaning no GST is applicable. The key distinction is between simply renting property (which is a service) and transferring all the rights associated with a lease (which becomes a sale).

The arguments against applying GST focus on the fact that the complete transfer of leasehold rights is akin to selling the property itself, even if the original land ownership remains with another entity. This is different from merely renting the property or transferring partial rights. Legal precedents related to service tax on renting or leasing are deemed inapplicable because they don't address the complete transfer of all leasehold rights. The conclusion is that such a transfer is a sale of immovable property, not a service, and therefore falls outside the scope of GST.

Authors View:

According to the definition of 'supply', supply of services also includes lease, tenancy, easement, license to occupy the land, etc. The activity of transfer of tenancy right against consideration in the form of tenancy premium is a supply of service liable to GST. It is a form of lease or renting of property and such activity is specifically declared to be a service in terms of para 2 of Schedule II i.e., any lease, tenancy, easement, licence to occupy land is a supply of services. GST will be applicable even in cases where stamp duty and registration fee are paid. The contention that stamp duty and registration charges is levied on such transfers of tenancy rights, and thus, the same should not be subjected to GST, is not relevant. The transfer of tenancy rights cannot be treated as sale of land or building declared as neither a supply of goods nor of services in para 5 of Schedule III.

Circular No.44/18/2018-CGST, dated 2.05.2018 deals with the issue related to taxability of 'tenancy rights' under GST. Transfer of tenancy rights to a new tenant against consideration in the form of tenancy premium is taxable.

SAFEGUARDS RECIPIENTS FROM CONSEQUENCES OF SUPPLIER TAX ERRORS



Buyers who have acted in good faith should not be penalized for the oversights of their suppliers. The Court further clarified that rectification should be permitted in situations where there is no loss of revenue to the government, reinforcing the principle that technicalities should not supersede the substantive aspect of tax compliance. Recognizing the potential for human error on all sides, including within tax authorities, the Supreme Court directed the government to revisit the timelines for correcting bona fide errors in tax filings. The Union Of India & Ors. Versus Brij Systems Ltd & Ors. Special Leave Petition (Civil) Diary No. 6334/2025 (SC)

Court Held that:

Once statutory deadlines under Sections 37(3) and 39(9) have passed, the GST framework does not currently accommodate corrections of clerical errors. The Court flagged the issue as a matter of systemic concern and pointed out that such errors are usually made by sellers in return filings but the brunt is faced by purchasers who lose their ITC eligibility without fault. The Court highlighted that the unfair denial of ITC due to such errors places an unnecessary and often significant burden on businesses and purchasers. Hence, court sought CBIC's response on the possibility of enabling post-deadline corrections for genuine mistakes in GST returns.

Authors View:

This landmark judgment is expected to have a far-reaching positive impact on businesses across India, particularly small and medium-sized enterprises that may be more vulnerable to inadvertent errors in tax filings. By safeguarding buyers' ITC and affirming the right to rectify mistakes, the Supreme Court has fostered a more equitable and business-friendly tax environment.

In conclusion, the Supreme Court's judgment reinforces the fundamental principles of fairness and equity within the tax framework. By upholding the right to rectify errors and protecting buyers' ITC, the Court has provided much-needed clarity and relief to the business community, paving the way for a more efficient and just tax administration system.



RECENT DECISIONS IN DIRECT TAXES

by



CA. Muthu Abirami T V

Source: taxmann.com and taxmanagementindia.com

Prateek Bulls and Bears (P.) Ltd. vs. DCIT [2025] 172 taxmann.com 511 (Rajasthan)

Held: Where Assessing Officer issued show cause notice under section 148A(b) on ground that there was substantial amount of credit entry and debit entry in assessee's bank account, however name of bank in which account was maintained was not mentioned in reasons annexed with notice and Assessing Officer failed to put evidence to even prima-facie show that bank account mentioned in notice belonged to assessee, impugned order passed under section 148A(d) was to be quashed.

The Gate of Hope Charitable Trust vs. ITO, Chennai. 2025 (3) TMI 597 - ITAT Chennai

Held: Reopening of Assessment - reason to believe - borrowed satisfaction - Denial of exemption claimed u/s 11 taxing its income in status of AOP - AY 2010-11

In this case, there is no whisper in the recorded reasons about assessee applying its income for the benefit of any particular religious or caste in violation of Section 13(1)(a) of the Act. Even the reference to the information stated and conclusion thereafter, has got no nexus whatsoever basis which any prudent person properly instructed in law could draw a linkage that the AO was in possession of tangible material that there is an escapement of income from assessment to the tune.

AO simply on the basis of the letter from DCIT(E) has jumped into conclusion that there is an escapement of income which is erroneous since it does not satisfy the jurisdictional fact and law for reopening as envisaged u/s. 147.

AO simply taking note of the DCIT(E) letter has borrowed the satisfaction without independent application of mind to form reason warrant holding a belief that income chargeable to tax has escaped assessment. Just because a letter has been received from the DCIT(E) the AO cannot reopen the assessment even if original assessment was u/s. 143(1) of the Act.

Thus, reasons recorded by the AO to justify reopening the assessment u/s. 147 fails and, therefore, the very assumption of jurisdiction to reassess the assessee falls.

AY 2011-12 - AO did not satisfy the requisite requirement of law to validly reopen the assessment and therefore, it is held to be bad in law. As held above, the AO had taken the information of Special Audit of donor, M/s CBV and that too for AY 2013-14 as gospel truth and has reopened the assessment based on borrowed satisfaction, without independently applying his mind to the information and forming his own view, which is found absent in this case.

According to us, the information given by the DCIT(E) can at best trigger “reason to suspect” and not “reason to believe” escapement of income and that, in the absence of any tangible material or enquiry as discussed in appeal of AY 2010-11, we have no other alternative but to hold that the reopening of the assessment for AY 2011-12 is also bad in law and we thus quash the impugned reopening proceedings and consequential reassessment.

Appeals of the assessee are allowed.

Devendra Thakershibhai Thakkar vs. ITO [2025] 172 taxmann.com 504 (Ahmedabad - Trib.)

Held: Where assessee’s books of account were accepted as complete and accurate during remand proceedings by Assessing Officer, estimation of income by Commissioner (Appeals) was not justified.

Section 145, of the Income-tax Act, 1961 - Method of accounting - Estimation of Income (GP/NP rate) - Assessment year 2013-14 - Assessing Officer rejected books of account of assessee on ground that they were incomplete and unreliable and estimated income at 0.5 per cent of total turnover - Commissioner (Appeals) admitted additional evidence produced by assessee and called for remand report from Assessing Officer - Assessing Officer in remand report categorically stated that books of account were duly verified and no discrepancies were found - Commissioner (Appeals), however, rejected books of account and estimated income at 0.1 per cent of gross turnover - Whether estimation of income at 0.5 per cent and subsequently 0.1 per cent by Assessing Officer and Commissioner (Appeals) respectively was not justified, when books of account were accepted as complete and accurate during remand proceedings - Held, yes - Whether arbitrary estimation of income by lower authorities deserved to be set aside - Held, yes -

ACIT vs. Chander Parkash Gupta - 2025 (3) TMI 1290 – SC

Held : Proceedings u/s 153C - issuance of the notice was preceded by the drawl of a Satisfaction Note by the jurisdictional AO - importance of material recovered in the course of a search or a requisition made and a right to reassess u/s 153A and 153C -

As decided by HC [2024 (4) TMI 461 - DELHI HIGH COURT] except for a few exceptions which were noticed in the introductory parts of this judgment, the writ petitions forming part of this batch, impugn the invocation of Section 153C in respect of AYs' for which no incriminating material had been gathered or obtained. The Satisfaction Notes also fail to record any reasons as to how the material discovered and pertaining to a particular AY is likely to "have a bearing on the determination of the total income" for the year which is sought to be abated or reopened in terms of the impugned notices. The respondents have erroneously proceeded on the assumption that the moment any material is recovered in the course of a search or on the basis of a requisition made, they become empowered in law to assess or reassess all the six AYs' years immediately preceding the assessment correlatable to the search year or the "relevant assessment year" as defined in terms of Explanation 1 of Section 153A. The said approach is clearly unsustainable and contrary to the consistent line struck by the precedents noticed above.

HELD THAT:- Having heard the learned counsel appearing for the petitioners and having gone through the materials on record, we see no reason to interfere with the common impugned order passed by the High Court.

Special Leave Petitions are, accordingly, dismissed.

Bharat Mithalal Jain vs. ITO [2025] 172 taxmann.com 501 (Mumbai - Trib.)

Held: Where assessee had purchased a shop for consideration of Rs. 8.09 lakhs, however, market value of same was Rs. 22.06 lakhs and Assessing Officer made addition under section 69 as unexplained source of income, since relevant documents had been filed and facts and circumstances and resources of investment had also been demonstrated by assessee before authorities below, impugned addition made by Assessing Officer was to be deleted.

Section 69, read with section 147, of the Income-tax Act, 1961 - Unexplained investments (Immovable property) - Assessment year 2015-16 - Assessee had purchased a shop for consideration of Rs. 8.09 lakhs - However, market value of same was Rs. 22.06 lakhs - Assessing Officer, thus, reopened case on ground that assessee had not offered difference of consideration as envisaged in section 56(2)(vii)(b) - He made addition under section 69 as unexplained source of income - It was noted that assessee had demonstrated that he was a 40 per cent partner in 'SB', who had paid amount of Rs. 8.11 lakhs through four cheques in 2006 - Aforesaid payments were disclosed as drawing in books of 'SB' and consequently partner's capital account was reduced by their respective shares - Assessee had purchased shop under consideration from 'SD' on a consideration of Rs. 8.09 lakhs paid through proper banking channel - Therefore, source of investment in assessee's partner's capital fund in account of 'SB' was devoid of doubts - Whether since relevant documents had been filed and facts and circumstances and resource of investment had also been demonstrated by assessee before authorities below, impugned addition made by Assessing Officer was unsustainable and same was to be deleted - Held, yes

Assessee is entitled to get statutory deductions under Chapter VI-A as per limit prescribed and cannot be denied benefit of same simply on reason that earlier in original return of income, assessee had claimed lower amount than amount claimed in subsequent return of income filed in response to notice under section 148, especially when subsequent return had been accepted.

Section 80A of the Income-tax Act, 1961 - Deductions - General() - Assessment year 2015-16 - Whether assessee is entitled to get statutory deductions under Chapter VI-A as per limit prescribed and cannot be denied benefit of same simply on reason that earlier in original return of income, assessee had claimed lower amount than amount claimed in subsequent return of income filed in response to notice under section 148, especially when subsequent return had been accepted - Held, yes

