

**IN THE INCOME TAX APPELLATE TRIBUNAL CUTTACK 'SMC' BENCH,  
CUTTACK**

**BEFORE SHRI N.S SAINI , ACCOUNTANT MEMBER**

**ITA No.425/CTK/2016**  
Assessment Year : 2010-2011

Navajyoti Pattnaik, Plot No.N2/29, Bhubaneswar.	Vs.	DCIT, Circle 2(2), Bhubaneswar.
PAN/GIR No. AAQPP 8324 A		
<b>(Appellant)</b>	..	<b>( Respondent)</b>

Assessee by : Shri S.C.Bhadra, AR  
Revenue by : Shri D.K.Pradhan, DR

**Date of Hearing : 31 /01/ 2017**  
**Date of Pronouncement : 31/01/ 2017**

**ORDER**

This is an appeal filed by the assessee against the order of CIT(A)-2, Bhubaneswar, dated 24.8.2016, for the assessment year 2010-2011.

2. The sole issue involved in this appeal is that the CIT(A) erred in confirming the action of the Assessing Officer making addition of Rs.3,00,000/- as unexplained cash deposit in bank account.

3. I have heard the rival submissions and perused the orders of lower authorities and materials available on record. The Assessing Officer observed that the assessee made deposit of Rs.3,00,000/- on 6.3.2010 besides other deposits aggregating to Rs.29,45,000/- in his bank account. The Assessing Officer required the assessee to explain the source for the same. The assessee submitted that the deposit is out of cash withdrawal of Rs.6,00,000/- on 5.1.2010. The Assessing Officer did not find this explanation of the assessee as satisfactory for the reason that it is unnatural that he kept the unutilized money of 5<sup>th</sup> January, 2010 to deposit on 6<sup>th</sup> March, 2010. Further, there is a cash withdrawal of Rs.1,00,000/- on 5.2.2010, another withdrawal of Rs.50,000/- on 8.2.2010 and a number of ATM withdrawals between 5.1.2010 and 6.3.2010. These fail to satisfy the logic behind assessee's explanation as regards the deposit of Rs.3,00,000/- on 6.3.2010 out of his withdrawal of Rs.6,00,000/- on 5.1.2010. Therefore, he made an addition of Rs.3,00,000/- u/s.68 as unexplained cash credit.

4. On appeal before the CIT(A), the assessee reiterated the submission made before the Assessing Officer.

5. The CIT(A) after considering the submission of the assessee confirmed the action of the Assessing Officer observing as under:

"I have gone through the assessment order, grounds of appeal and written submissions filed before me. It is seen that the appellant has tried to explain cash deposit of Rs. 3,00,000/- on 06.03.2010

out of his withdrawal of Rs. 6,00,000/- on 05.01.2010. There is a gap of two months between withdrawal and deposit. It means that for these two months the appellant was holding cash of Rs. 3,00,000/- in his hand. If that is show, then why did the appellant withdraw Rs.1,00,000/- on 05.02.2010, Rs.50,000/-on 08.02.2010 and number of ATM withdrawals between 05.01.2010 to 06.03.2010. It is clear that the withdrawal ofRs. 6,00,00/- on 05.01.2010 is not the source of cash deposit ofRs. 3,00,000/- ohD6.03.2010. Considering this, the addition made by the assessing officer of Rs. 3,00,000/- u/s.68 of I.T. Act, 1961 is confirmed and the ground of appeal is dismissed."

6. Before me, besides reiterating the submissions made before the lower authorities, Id A.R. of the assessee argued and submitted that it is the assessee's choice how much amount to withdraw from the bank and how much to keep cash in hand.

7. On the other hand, Id D.R. supported the orders of lower authorities.

8. In the above facts and circumstances of the case, I am of the considered view that the assessee miserably failed to explain the source of deposit of Rs.3,00,000/- on 6.3.2010 in his bank account. The explanation of the assessee was that the same was out of his earlier withdrawal of Rs.6,00,000/- on 5.1.2010. Both the Assessing Officer as well as the CIT(A) did not believe this explanation of the assessee for the reason that when the assessee had Rs.6,00,000/- with him, then what was the necessity for the assessee to withdraw Rs.1 lakh on 5.2.2010 and Rs.50,000/- on 8.2.2010 and a number of ATM withdrawals between 05.01.2010 to 06.03.2010. According to both the lower authorities, the only logical conclusion in the above facts and circumstances of the case is that the withdrawal made on 5.1.2010 of

Rs.6,00,000/- was not available with the assessee and was utilized by him for some other purpose. No material was brought before me to controvert the findings of the Assessing Officer as well as the CIT(A). Hence, I find no good reason to interfere with the order of the CIT(A), which is hereby confirmed and the ground of appeal of the assessee is dismissed.

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

Order pronounced in the open court on 31/01/2017 in the presence of parties.

Sd/-

(N.S Saini)

**ACCOUNTANT MEMBER**

Cuttack; Dated 31/01 /2017  
B.K.Parida, SPS

**Copy of the Order forwarded to :**

1. The appellant: Navajyoti Pattnaik, Plot No.N2/29, Nayapali, Bhubaneswar.
2. The respondent: DCIT, Circle 2(2), Bhubaneswar.
3. The CIT(A)-2, Bhubaneswar.
4. Pr.CIT-2, Bhubaneswar.
5. DR, ITAT, Cuttack
6. Guard file.  
//True Copy//

BY ORDER,

SR.PRIVATE SECRETARY  
**ITAT, Cuttack**