

आयकर अपीलिय अधिकरण, जयपुर न्यायपीठ, जयपुर  
IN THE INCOME TAX APPELLATE TRIBUNAL, JAIPUR BENCHES, JAIPUR

श्री विजय पॉल राव, न्यायिक सदस्य एवं श्री विक्रम सिंह यादव, लेखा सदस्य के समक्ष  
BEFORE: SHRI VIJAY PAL RAO, JM & SHRI VIKRAM SINGH YADAV, AM

आयकर अपील सं./ITA No. 209/JP/2018  
निर्धारण वर्ष/Assessment Years : 2008-09

Mohd. Iqbal Plot No. 12, Mukund Grah House, S.C. Road, Behind City Centre, Jaipur	बनाम Vs.	ITO Ward-7(1) Jaipur
स्थायी लेखा सं./जीआईआर सं./PAN/GIR No.: AARPI4477L		
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

निर्धारित की ओर से / Assessee by : Shri Vikram Gupta &  
Shri Prashant Sharma (CA)  
राजस्व की ओर से / Revenue by : Smt. Poonam Rai (DCIT)

सुनवाई की तारीख / Date of Hearing : 30/07/2018  
उदघोषणा की तारीख / Date of Pronouncement : 06/08/2018

आदेश / ORDER

PER: VIKRAM SINGH YADAV, A.M.

This is an appeal filed by the assessee against the order of Id. CIT(A)-3, Jaipur dated 20.12.2017 for Assessment Year 2008-09.

2. In Ground No. 3, the assessee has challenged the sustenance of addition of Rs. 64,940/- being 1/3 payment in credit card totaling to Rs. 194,820/-.

3. Briefly stated, the facts of the case are that the assessment in this case was completed u/s 147 read with 144 of the Act wherein the AO brought to tax a sum of Rs. 83,306/- being 1/3 of total credit card

bill payment of Rs. 2,40,920/- during the course of financial year 2007-08 relevant to the impugned assessment year for the reason that the assessee failed to prove/produce supporting documentation that the amount used in payment of credit card was out of current and past savings. The said action of the Assessing Officer was confirmed by the Id. CIT(A) with a direction to verify whether the total cash deposit was Rs. 1,94,820/- or Rs. 2,40,920/-.

4. During the course of hearing, the Id. AR submitted that the assessee has withdrawn a sum of Rs. 198556/- from his credit card account on various dates during the FY 2007-08 and the assessee has deposited an amount of Rs. 194820/- in his credit card account on various dates. Further, the assessee has earned salary income of Rs. 193923/- net of deduction of Rs. 3450/- from HBL Global Private Ltd. which was regularly withdrawn from his salary account and used for repaying the credit cards dues. It was submitted that the Assessing Officer failed to appreciate withdrawal of cash of Rs. 198556/- from his credit card account and has only considered the deposit of Rs. 240920/- as against actual deposit of Rs. 194820/-. It was accordingly submitted that there is no basis for making the addition of 1/3 the total cash deposit in his credit card account.

5. The Id DR is heard who has relied on the order of the lower authorities.

6. We have heard the rival contentions and perused the material available on record. It is noted from the credit card statement that there are regular withdrawals and deposits on various dates during the FY 2007-08. As against the withdrawal of Rs. 198556/-, there is deposit of Rs. 194820/- which largely explains the source of deposits. Further,

the assessee has also withdrawn his salary at regular intervals from his salary account maintained with HDFC Bank. Thus, withdrawal of cash from his credit card account as well as withdrawal of cash from his salary account sufficiently explained the deposit of cash in his credit card account. Further we do not see any basis for making an adhoc disallowance of 1/3 of total deposit in the credit card account. In light of the same, the addition made by the AO is hereby deleted.

7. The Ground No. 1 is regarding challenging the initiation of proceedings u/s 147 of the Act and in Ground No. 2, the assessee has challenged the mechanical grant of sanction u/s 151 of the Act. In view of the fact that the addition made by the AO has been deleted, these two grounds have become academic and we do not deem it appropriate to adjudicate the same.

In the result, the appeal filed by the assessee is allowed.

Order pronounced in the open Court on 09/08/2018.

Sd/-  
(विजय पॉल राव)  
(Vijay Pal Rao)  
न्यायिक सदस्य / Judicial Member

Sd/-  
(विक्रम सिंह यादव)  
(Vikram Singh Yadav)  
लेखा सदस्य / Accountant Member

जयपुर / Jaipur

दिनांक / Dated:- 09/08/2018

\*Ganesh Kr.

आदेश की प्रतिलिपि अग्रेषित / Copy of the order forwarded to:

1. अपीलार्थी / The Appellant- Mohd. Iqubal, Jaipur
2. प्रत्यर्थी / The Respondent- ITO, Jaipur
3. आयकर आयुक्त / CIT
4. आयकर आयुक्त / CIT(A)

5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, जयपुर / DR, ITAT, Jaipur.
6. गार्ड फाईल / Guard File { ITA No. 209/JP/2018 }

आदेशानुसार / By order,

सहायक पंजीकार / Asst. Registrar