

IN THE INCOME TAX APPELLATE TRIBUNAL, DELHI 'B' BENCH,  
NEW DELHI

BEFORE SHRI N.K. BILLAIYA, ACCOUNTANT MEMBER, AND  
MS. SUCHITRA KAMBLE, JUDICIAL MEMBER

ITA No. 2427/DEL/2016  
[A.Y 2012-13]

The A.C.I.T  
Circle - 41(1)  
New Delhi

Vs.

Shri Rajeev Aggarwal  
Prop. Bharti Electronics  
D/17, Nai Basti, Nangloi  
New Delhi

PAN : ADYPA 0556E

[Appellant]

[Respondent]

Date of Hearing : 07.01.2019  
Date of Pronouncement : 09.01.2019

Assessee by : None

Revenue by : Ms. Ashima Neb, Sr. DR

**ORDER**

PER N.K. BILLAIYA, ACCOUNTANT MEMBER,

This appeal by the Revenue is preferred against the order of the  
CIT(A)- 14, New Delhi dated 29.02.2016 pertaining to A.Y 2012-13.

2. The solitary grievance raised by the Revenue is that the CIT(A) erred in deleting the addition of Rs. 86,40,302/- being cash deposits in the bank account of the assessee.

3. Briefly stated, the facts of the case are that during the course of scrutiny assessment proceedings and as per AIR information, the Assessing Officer found that cash transactions of Rs. 1,38,72,400/- were found reflected under the head 'Deposit in cash aggregating Rs. 2 lakhs or more'. The assessee was asked to explain the source of cash deposits. The assessee produced his cash sale ledger and after going through the ledger of cash sales, the Assessing Officer found that sales were made to the tune of Rs. 52,32,098/- only during the year under consideration. The assessee was asked to explain the source of balance amount of Rs. 86,40,302/-.

4. In its reply, the assessee stated that the same has been deposited during the normal course of business. The Assessing Officer was not satisfied with the reply of the assessee and added Rs. 86,40,302/- being unexplained cash deposit.

5. The assessee carried the matter before the CIT(A) and explained that during the assessment proceedings, he could not file daily cash books of Gurgaon and Paschim Vihar Units of Bharti Electronics. It was brought to the notice of the CIT(A) that cash has been deposited out of cash sales during the normal course of business, which are duly reflected in the cash book.

6. After considering the facts and cash book, the CIT(A) called for remand report from the Assessing Officer since the cash books were filed for the first time.

7. In its remand report, the Assessing Officer stated that the assessee had not filed any cash book during the assessment proceedings but had filed only monthly sale summary of cash sales which reflect total availability of cash amounting to Rs. 52,65,873/-.

8. After considering the remand report, the CIT(A) was convinced that the assessee has duly filed the source of cash deposit in the bank account and such bank account has been duly reflected in the books of account of the assessee. The CIT(A) further observed that this facts is

not denied by the Assessing Officer. The CIT(A) directed the Assessing Officer to delete the impugned addition.

9. Before us, the ld. DR stated that the CIT(A) completely ignored the negative cash balance which came to his notice while observing the daily cash book of Gurgaon and Paschim Vihar Units of Bharti Electronics. It is the say of the ld. AR that by ignoring this negative cash balance, the CIT(A) grossly erred in deleting the entire addition.

10. None attended on behalf of the assessee. We have carefully perused the orders of the authorities below and have considered the submissions made by the ld. DR. It is true that only before the first appellate authority the assessee had produced separate daily cash book of Gurgaon and Paschim Vihar Units of Bharti Electronics. It is equally true that the CIT(A) called for remand report from the Assessing Officer after giving reasonable opportunity to the Assessing Officer to verify the ledger of cash from the original receipts books. No doubt, there was negative balance of Rs. 99,154/- on 03.06.2011 in the total cash of Gurgaon unit.

11. Be that as it may, the fact is that cash deposits in the bank account are duly reflected in the cash book of the assessee which proves the source of cash deposits in the bank account. The assessee has filed complete cash book during the appellate proceedings before the CIT(A), which was duly examined by the CIT(A) and also by the Assessing Officer in the remand proceedings. Cash deposited in the bank account are out of realisation of debtors to whom sales were made during the normal course of business and such sales have been accepted by the Assessing Officer. In our considered opinion, the assessee has successfully explained the source of cash deposit in the bank account and, therefore, we do not find any reason to interfere with the finding of the CIT(A).

12. In the result, the appeal of the Revenue in ITA No. 2427/DEL/2016 is dismissed.

**The order is pronounced in the open court on 09.01.2019.**

**Sd/-**

**[SUCHITRA KAMBLE]  
JUDICIAL MEMBER**

**Sd/-**

**[N.K. BILLAIYA]  
ACCOUNTANT MEMBER**

Dated: 09<sup>th</sup> January, 2019

VL/

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar,  
ITAT, New Delhi

Date of dictation	
Date on which the typed draft is placed before the dictating Member	
Date on which the typed draft is placed before the Other Member	
Date on which the approved draft comes to the Sr.PS/PS	
Date on which the fair order is placed before the Dictating Member for pronouncement	
Date on which the fair order comes back to the Sr.PS/PS	
Date on which the final order is uploaded on the website of ITAT	
Date on which the file goes to the Bench Clerk	
Date on which the file goes to the Head Clerk	
The date on which the file goes to the Assistant Registrar for signature on the order	
Date of dispatch of the Order	