

IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCHES "SMC": DELHI

BEFORE SHRI BHAVNESH SAINI, JUDICIAL MEMBER

ITA.No.1213/Del./2018  
Assessment Year 2014-2015

Mr. Alok Bhatnagar, C-111, Samrat Palace, Garh Road, Meerut. PIN – 250 002 PAN ACXPB9678A	vs.,	The DCIT, Central Circle, Aayakar Bhawan, Bhainsali Ground, Delhi Road, Meerut – 250 001.
(Appellant)		(Respondent)

For Assessee :	Shri K. Sampath And Shri V. Rajkumar, Advocates
For Revenue :	Shri S.L. Anuragi, Sr.DR

Date of Hearing :	04.06.2019
Date of Pronouncement :	04.06.2019

**ORDER**

This appeal by Assessee has been directed against the Order of the Ld. CIT(A)-4, Kanpur, Dated 08.12.2017 for the A.Y. 2014-2015, challenging the addition of Rs.19,47,000/-.

2. Briefly the facts of the case are that assessee filed return of income declaring income of Rs.6,06,530/-. The A.O. noted that assessee has earned income from salary,

house property, business and profession and other sources, details of which are mentioned at page-2 of the assessment order. The A.O. also noted that assessee has outstanding loans from loans of Allahabad Bank in assessment year under appeal as well as earlier years. The assessee has paid interest and noted total repayment during the year of Rs.12,98,000/-. The assessee pleaded before A.O. that assessee had deposited loan amount out of cash balance available with the assessee. The A.O. however, did not accept the contention of assessee and considered that assessee failed to prove genuineness of the cash deposited in the Bank account. The A.O. accordingly made addition of Rs.19,47,000/-. The Ld. CIT(A) also confirmed the addition because assessee was failed to explain the source and nature of the cash deposited in Allahabad Bank and ICICI Bank of the impugned amount.

3. Learned Counsel for the Assessee filed copy of the Order of the Settlement Commission and submitted that assessee has offered an income of Rs.39,25,000/- as income which was available with him and was the source of the

cash found during the course of search from the residence of the assessee and this fact is accepted by the Settlement Commission. He has submitted that since assessee has declared additional income of Rs.39,25,000/- in assessment year under appeal, therefore, same is available to assessee to make deposit in the above Bank accounts. The set-off may be given subject to verification by the A.O.

4. The Ld. D.R. also suggested that the matter may be restored to the file of A.O. for verifying this fact.

5. Considering the submissions of the parties in the light of offer made by assessee before the Settlement Commission of additional income subject to tax of Rs.39,25,000/-, I am of the view that this fact may be verified by the A.O. In case the above facts explained by the Learned Counsel for the Assessee are found correct, assessee would be entitled for set-off of the same amount because the same additional income offered for tax before the Settlement Commission would be available to the assessee for making the deposit in the aforesaid Bank accounts of the impugned amount. In that event the

addition would amount to double addition. In view of the above, I set aside the Orders of the authorities below and restore the matter in issue to the file of A.O. with a direction to re-decide this issue in the light of the Order of the Settlement Commission. Assessee is directed to file copy of the Order of the Settlement Commission before A.O. and other material to satisfy the A.O. in this regard. A.O. shall give reasonable, sufficient opportunity of being heard to the assessee, before passing the Order.

6. In the result, appeal of Assessee allowed for statistical purposes.

Order pronounced in the open Court.

Sd/-  
(BHAVNESH SAINI)  
JUDICIAL MEMBER

Delhi, Dated 04<sup>th</sup> June, 2019

VBP/-

Copy to

1.	The appellant
2.	The respondent
3.	CIT(A) concerned
4.	CIT concerned
5.	D.R. ITAT "SMC" Bench
6.	Guard File

//By Order//

Asst. Registrar : ITAT : Delhi Benches : Delhi.