

**IN THE INCOME TAX APPELLATE TRIBUNAL  
AMRITSAR BENCH, AMRITSAR**

BEFORE SH. N. K. CHOUDHRY, JUDICIAL MEMBER  
AND SH. O. P. MEENA ACCOUNTANT MEMBER

**I.T.A. No. 195/Asr/2017**  
Assessment Year: 2008-09

Sh. Jatinderpal Singh  
VPO Naushera Khurd  
Majitha Road, Amritsar

vs. Income Tax Officer,  
Ward 4(2), Amritsar

[PAN: ATCPS 2524C]

**(Appellant)**

**(Respondent)**

Appellant by : Sh. P. N. Arora (Adv.)

Respondent by: Sh. Alok Kumar CIT-DR

Date of Hearing: 17.12.2019

Date of Pronouncement: 19.12.2019

**ORDER**

**Per O. P. Meena, AM:**

This appeal by the Assessee is filed against the order of learned Commissioner of Income Tax (Appeals)-2, Amritsar dated 06.02.2017 for the Assessment Year 2008-09.

2. Ground no. 1 & 3 to 7 are not pressed before us hence same are treated as dismissed as not pressed.

3. Ground no. 2 and amended ground no. 1 relates to confirming the addition of Rs.2,26,205/- out of the addition made at Rs.10,45,305/-.

4. The AO noticed that the assessee has made cash deposits aggregating to Rs.10,45,300/- in his bank account with ICICI Bank during year under

consideration. Therefore, a show-cause notice was issued to the assessee to explain the same however no compliance was made by the assessee. The assessment was made u/s 144 of the Act by making addition of Rs.10,45,300/-.

5. Being aggrieved the assessee filed an appeal before CIT(Appeal). However, CIT(Appeal) observed that the withdrawals from the said bank account are only Rs.3,14,000/- which as by way of cash. Therefore, the set off of the cash withdrawal is allowed for the appellant for worked out peak balance in the bank account as the AO had not established that these withdrawals have been utilized by the assessee elsewhere. Thereafter, the CIT(Appeal) observed that the peak balance was at Rs.2,26,205/- hence the addition was confirmed and balance was deleted.

6. Being aggrieved the assessee has filed this appeal before this tribunal. Relying on the decision of ITAT Amritsar in the case of *Kulwant Singh v. ITO* in ITA No. 519/Asr/2014 dated 19.02.2015 submitted that the credit of the income returned by the assessee should have been allowed from the peak credit balance sustained by the CIT(Appeal). It was submitted that the assessee has opening saving balance, therefore, the same should have been allowed against the peak credit balance sustained by the CIT(Appeal).

7. Per contra the learned Sr. DR relied on the CIT(Appeal).

8. We have heard the rival submissions and find that the assessee might have some saving in the preceding year, therefore following the decision of ITAT in the case of *Kulwant Singh*, we allow further deduction of Rs.1,55,120/- of returned income shown by the assessee as deduction out of peak credit addition of Rs. Rs.2,26,205/- sustained by the Ld. CIT(Appeal). Accordingly, this appeal is partly allowed.

9. In the result, the appeal of the assessee is partly allowed.

*Order pronounced in the open court on December 19, 2019*

Sd/-  
(N. K. Choudhry)  
Judicial Member

Sd/-  
(O. P. Meena)  
Accountant Member

Date: 19.12.2019

*/GP/Sr. Ps.*

Copy of the order forwarded to:

- (1) The Appellant:
- (2) The Respondent:
- (3) The CIT(Appeals),
- (4) The CIT concerned
- (5) The Sr. DR, I.T.A.T.

True Copy

By Order