

IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCH "SMC", PUNE

BEFORE SHRI R.S. SYAL, VICE PRESIDENT

आयकर अपील सं. / ITA No. 1296/PUN/2018

निर्धारण वर्ष / Assessment Year : 2008-09

Satish Sarjerao Choudhari,
Chaudhari Galli,
A/P. Bori, Taluka Jintur,
Dist. Parbhani,
PAN : AJSPC4761F

Vs. ITO, Ward,
Parbhani

(Appellant)

(Respondent)

Appellant by
Respondent by

Shri Pramod Shingte
Shri S.P. Walimbe

Date of hearing 13-01-2020
Date of pronouncement 14-01-2020

आदेश / ORDER

PER R.S.SYAL, VP :

This appeal by the assessee arises out of the order passed by the CIT(A)-1, Aurangabad on 04-06-2018 in relation to the assessment year 2008-09.

2. The only issue raised in this appeal is against the confirmation of addition of Rs.8,30,538/- made towards peak balance in the assessee's bank account.

3. Brief facts of the case are that the assessee is engaged in the trading of agricultural produce. The Assessing Officer received information that the assessee had deposited a sum of Rs.15,30,300/- in his savings bank account maintained with State Bank of Hyderabad, Branch Bori. No return of income was filed. Reassessment proceedings were initiated. Pursuant to the same, the assessee filed his return declaring total income of Rs.57,500/- apart from agricultural income of Rs.3,90,768/-. The assessee submitted 7/12 extracts and sale patties of agricultural produce sold. The assessee also furnished purchase bills of APMC, Jintur with regard to Toor, Udid, Jawar and Moong. On being called upon to explain the source of deposit in the bank account, the assessee submitted that the deposits were made out of his agricultural income and other business income arising from trading activities. The Assessing Officer computed the peak bank balance of Rs.8,30,538/- on 08.12.2007 and made addition for the same. The Id. CIT(A) confirmed the above addition, against which the assessee has come up in appeal before the Tribunal.

4. I have heard both the sides and gone through the relevant material on record. It is seen from the assessment order that the assessee declared sale of Rs.15,30,300/- and showed profit @ 5% amounting to Rs.76,500/-. The Assessing Officer has not disputed the making of cash sales to the above extent. In addition, the assessee also declared agricultural income of Rs.3,90,768/-, which has also been accepted by the Assessing Officer. This shows that as against the addition of Rs.8,30,538/- towards cash deposit in the bank, the assessee during the year itself made cash sale of Rs.15,30,000/- and earned net agricultural income of Rs.3,90,768/-. Such an amount of cash available in the hands of the assessee for more than Rs.19.00 lakh is much higher than the amount of addition of Rs.8,30,538/- made by the Assessing Officer towards peak bank deposit in cash. Since the Assessing Officer did accept the factum of cash sales of Rs.15,30,000/- and agricultural income to the tune of Rs.3,90,768/-, I am satisfied that the source of the cash deposit in the bank account is automatically proved out of such receipts. I, therefore, overturn the impugned order and delete the addition.

5. In the result, the appeal of the assessee is allowed.

Order pronounced in the Open Court on 14th January, 2020.

**Sd/-
(R.S.SYAL)**

उपाध्यक्ष/ VICE PRESIDENT

पुणे Pune; दिनांक Dated : 14th January, 2020
सतीश

आदेश की प्रतिलिपि अग्रेषित / Copy of the Order is forwarded to :

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The Respondent;
3. आयकर आयुक्त(अपील) /
The CIT (Appeals)-1, Aurangabad
4. The Pr.CIT-1, Aurangabad
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, पुणे "SMC" / DR 'SMC',
ITAT, Pune;
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

// True Copy //

Senior Private Secretary
आयकर अपीलीय अधिकरण ,पुणे / ITAT, Pune

		Date	
1.	Draft dictated on	13-01-2020	Sr.PS
2.	Draft placed before author	13-01-2020	Sr.PS
3.	Draft proposed & placed before the second member	--	JM
4.	Draft discussed/approved by Second Member.	--	JM
5.	Approved Draft comes to the Sr.PS/PS		Sr.PS
6.	Kept for pronouncement on		Sr.PS
7.	Date of uploading order		Sr.PS
8.	File sent to the Bench Clerk		Sr.PS
9.	Date on which file goes to the Head Clerk		
10.	Date on which file goes to the A.R.		
11.	Date of dispatch of Order.		

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