

IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE BENCH "SMC", PUNE – VIRTUAL COURT

BEFORE SHRI R.S. SYAL, VICE PRESIDENT AND  
SHRI S.S. VISWANETHRA RAVI, JUDICIAL MEMBER

ITA No.1189/PUN/2019

निर्धारण वर्ष / Assessment Year : 2010-11

|  |     |                        |
|--|-----|------------------------|
| Shri Vilasrao Govind Patil<br>Legal Heir of Late Rajesh Vilas<br>Patil<br>262/1, Mangalwar Peth,<br>Tal-Karad, Satara.<br>PAN : AIVPP5509N | Vs. | ITO, Ward-5,<br>Satara |
| Appellant  |     | Respondent             |

Assessee by None  
Revenue by Smt. Shabana Parveen

Date of hearing 18-08-2020  
Date of pronouncement 18-08-2020

आदेश / ORDER

**PER R.S.SYAL, VP :**

This appeal by the assessee arises out of the order dated 26-06-2019 passed by the CIT(A)-4, Pune in relation to the assessment year 2010-11.

2. The only issue raised in the appeal is against the confirmation of addition of Rs.3,00,000 made u/s 69A of the Income-tax Act, 1961 (hereinafter referred to as 'the Act').

3. Succinctly, the facts of the case are that the assessee made certain deposits in his bank account, the details of which were not forthcoming. During the course of assessment proceedings, the

assessee submitted date-wise explanations about the cash deposits. The Assessing Officer (AO) accepted all other transactions except a sum of Rs.3,00,000, for which no documentary evidence was available. This addition of Rs.3,00,000 made u/s 69A of the Act came to be affirmed in the first appeal.

4. We have heard the ld. DR through virtual court and gone through the relevant material on record. There is no appearance from the side of the assessee. The case was initially fixed for hearing on 07-10-2019 and the assessee remained up-represented. The matter has been adjourned from time to time where the assessee chose not to be present in the proceedings before the Tribunal. Today, we are, therefore, taking up the appeal for disposal on merits *ex-parte qua* the assessee.

5. It is seen from page 7 of the impugned order that the assessee offered a sum of Rs.3,00,000 as 'Miscellaneous Receipt' in her revised computation of income. The authorities have made and confirmed the instant addition on the ground that this receipt of Rs.3,00,000 was different from the deposit of Rs.3,00,000 in the bank account. We are unable to appreciate the view point of the authorities below on the ground that once the assessee offered a

sum of Rs.3,00,000 on receipt of the amount, there could have been no occasion of making another similar addition on spending/investing the said amount. If a person earns Rs.100 from undisclosed sources and thereafter offers it for taxation, its later utilization, and that too, through undisclosed transactions, would not invite any further addition. The AO cannot make one addition at the time of earning the undisclosed income and another similar addition at the time of spending the same. Here is a case in which the assessee offered Rs.3,00,000 as 'Miscellaneous Receipt', which has been duly taxed also. The utilization of such amount of Rs.3,00,000 by the assessee by means of deposit in the bank account, cannot, in our opinion, call for any addition. We, therefore, order to delete the addition.

6. In the result, the appeal is allowed.

Order pronounced in the open Court on 18<sup>th</sup> August, 2020.

Sd/-  
**(S.S. VISWANETHRA RAVI)**  
**JUDICIAL MEMBER**

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

पुणे Pune; दिनांक Dated : 18<sup>th</sup> August, 2020  
GCVSR

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

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The Respondent;
3. The CIT(A)-4, Pune
4. The Pr.CIT-3, Pune
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, पुणे  
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                                | 18-08-2020 | Sr.PS |
| 2.  | Draft placed before author                       | 18-08-2020 | 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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