

**IN THE INCOME TAX APPELLATE TRIBUNAL  
HYDERABAD ' SMC' BENCH : Hyderabad**

**(Through Video Conference)**

**BEFORE SHRI S.S. GODARA, JUDICIAL MEMBER**

**ITA No. 597/Hyd./2020  
Assessment Year: 2017-18**

Sri Sandeep Gauru vs. ITO, Ward 1  
Nalgonda Nalgonda

[PAN: AIOPG2286N]

&

**ITA No. 598/Hyd./2020  
Assessment Year: 2017-18**

Sri Shankar Gauru vs. ITO, Ward 1  
Nalgonda Nalgonda

[PAN: AEFPG5989R]

**(Appellant)**

**(Respondent)**

**For Assessee:** Sri K.V. Chalamaiah, A.R.

**For Revenue:** Smt. N. Esther, D.R.

**Date of Hearing** : 23/03/2021

**Date of Pronouncement** : 20/04/2021

**ORDER**

These assessee's appeals for A.Y. 2017-18 arise against the Commissioner of Income Tax (Appeals) 'CIT(A)'] – 3 Hyderabad's order dated 28.08.2020 passed in case no.10253/2019-20 and no. 10244/2019-20 in proceedings u/s 143(3) of the Income Tax Act, 1961 [in short 'the Act']; respectively.

Heard both the parties. Case file perused.

2. Coming to former assessee's sole substantive grievance of correctness of both lower authorities action adding unexplained investments of Rs. 2,50,000/- for Assessment year 2017-18 deposited during de-monitization period in November, 2016, learned counsel's only case as per paper book and records is that this taxpayer had been having cash balance of more than Rs.40,000/- followed by income declaration of Rs.8,14,180/- as it is evident from a perusal of the assessment order. All these clinching evidences have gone unrebutted from the department side. The fact also remains that assessee has not placed on record his cash flow statement of the relevant previous year so as to fully discharge the onus of explaining source of the impugned deposits in the corresponding time span. Faced with this situation, I deem it appropriate to restrict the impugned addition to Rs.50,000/- only with a rider that the same shall not be taken as precedent in any other case. ITA 597 /H/2020 is partly accepted.

3. Next comes ITA 598/H/2020 involving similar addition of cash deposits of Rs.11,25,000/- made in both lower appellate proceedings. The assessee's case is that the same represents not only cash in hand as well as day- to-day receipts but also the corresponding amount coming from his family members i.e. wife and daughter. Learned counsel next referred to said family members' income tax return particulars that they are also regularly assessed assesseees and therefore, this taxpayer has discharged his onus to prove source along with identity and genuineness. The fact however remains that the assessee has not been able to place on record even confirmation of the said family members. Faced with this situation and more so in view of

the fact that such receipts of cash within the family cannot be altogether ruled out, I deem it fit and proper to restrict impugned addition to lumpsum of Rs.3.5 lakhs with a rider that the same shall not be taken as precedent. This latter appeal is also allowed in part.

Necessary computation shall follow in both cases.

Both these assessee's appeals are partly allowed in above terms. A copy of this common order be placed in the respective case files.

Order pronounced in Open Court on 20/04/2021.

Sd/-  
**(S.S. GODARA)**  
**JUDICIAL MEMBER**

Dated: 20<sup>th</sup> April, 2021

- *gmv*

Copy of Order forwarded to:

1. (i) Sri Sandeep Gouru, 18-1373, Near Nalanda Public School, Ashok Nagar, Miryalaguda, Nalgonda – 508 207, Telangana.  
(ii) Sri Shankar Gouru, 6-287, Shabhu Nagar, Miryalaguda, Nalgonda - 508 207, Telangana
2. ITO, Ward 1, Nalgonda
3. JCIT, Range 7, Hyderabad
4. CIT(A)-3, Hyderabad.
5. Pr.CIT -3, Hyderabad
6. D.R. ITAT Hyderabad
7. Guard File