

**IN THE INCOME TAX APPELLATE TRIBUNAL DELHI
BENCH 'C', NEW DELHI**

**BEFORE SH. ANIL CHATURVEDI, ACCOUNTANT MEMBER
AND SH. KULDIP SINGH, JUDICIAL MEMBER**

(THROUGH VIDEO CONFERENCING)

ITA No. 3138/Del/2018
(Assessment Year : 2014-15)

Jag Mohan Gautam Akhilesh Kumar, Adv. Chamber No. 206-207, Ansal Satyam, RDC Raj Nagar, Ghaziabad, Uttar Pradesh PAN No. ACNPG 0341 H (APPELLANT)	V s.	ITO Ward – 1(3) Ghaziabad (RESPONDENT)
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Assessee by	Shri Akhilesh Kumar, Adv.
Revenue by	Ms. Anima Baranwal, Sr. D.R.

Date of hearing:	12.08.2021
Date of Pronouncement:	18.08.2021

ORDER

PER ANIL CHATURVEDI, AM:

This appeal filed by the assessee is directed against the order dated 21.03.2018 passed by the Commissioner of Income Tax (Appeals)-2, Noida relating to Assessment Year 2014-15.

2. The relevant facts as culled from the material on records are as under :

3. Assessee is an individual who electronically filed his return of income for A.Y. 2014-15 on 30.10.2014 declaring total income at Rs.7,85,450/-. The case was selected for scrutiny thereafter assessment was framed u/s 144 of the Act vide order dated 08.12.2016 and the total income which determined at Rs.1,21,31,450/-. Aggrieved by the order of AO, assessee carried the matter before the CIT(A) who vide order dated 21.03.2018 in Appeal No.392/2016-17/GZB granted substantial relief to the assessee. Aggrieved by the order of CIT(A), assessee is in appeal before us and has raised the following grounds :

- “1. *Because, the order of Ld Lower Authorities is bad in law as well as against the facts and circumstances of the case so far as the same is related to sustaining addition of Rs.11,47,000/-.*
2. *Because learned Commissioner of Income Tax (Appeals) erred in sustaining the addition of Rs.11,47,000/-, being cash deposited in bank, and without rejecting any material on record and without finding any material against the assessee, merely on the basis of surmises and conjectures.*
3. *Because , learned Commissioner of Income Tax (Appeals) further erred in sustaining part disallowance despite accepting source of deposit merely be presuming that much cash could not be kept in hand, in whole disregard of the ration of several cases on the said issue.”*
4. Before us, the Learned AR submitted that though the assessee has raised various grounds but the sole controversy is with respect to addition of Rs.11,47,000/- that was upheld by CIT(A).

5. AO has noted in the assessment order that on perusal of the AIR information, it was noticed that assessee has deposited cash of Rs.99,99,000/- and Rs.13,47,000/- in cash in saving bank account maintained with Bank of Baroda. Assessee was asked to explain as to why the addition of the aforesaid amount not be made as unexplained deposit/investment. AO noted that no details were furnished by the assessee. He accordingly considered the aggregate cash deposits amounting to Rs.1,13,46,000/- as unexplained cash deposit / unexplained investment u/s 69 of the Act and added it to the income. Aggrieved by the order of AO, assessee carried the matter before the CIT(A). CIT(A) after considering the submissions of the assessee, remand report of the AO and assessee's reply to remand report, upheld the addition of Rs.11,47,000/- and deleted the balance addition. Aggrieved by the order of CIT(A), assessee is now in appeal before us.

6. Before us, Learned AR reiterated the submissions made before the CIT(A) and further submitted that assessee is employed as Guard with Indian Railways since 1984 and was receiving the salary in cash up to Feb, 2015. He submitted that as per Form-16 for A.Y. 2013-14 and 2014-15, the salary of the assessee was Rs.10,42,763/- and Rs.11,38,262/- respectively. He submitted that the assessee was in habit of keeping cash at home and depositing in bank as and when required. He pointed to the observation of the AO in the second remand report wherein the accumulation of huge cash and its subsequent deposits in the bank account was doubted by the AO only on account of present

cost of living and education of children. He pointed to the assessee's submissions which is reproduced in the CIT(A)'s order wherein it is stated that assessee is not paying any rent, the children are more than 20 years of age and are not dependent on parents but on the contrary the younger child is serving with Indian Air Force and is contributing to the expenses of his parents. He therefore submitted that since the addition has been made purely on the basis of surmise, the addition upheld by the CIT(A) be deleted.

7. Learned DR on the other hand, supported the order of lower authorities.

8. We have heard the rival submissions and perused the materials available on record. The issue in the present case is with respect to the deposit of Rs.11,47,000/- made in cash in this bank account and which has been considered as unexplained and added to the income. It is an undisputed fact that out of the total cash deposits of Rs.13,47,000/- CIT(A) granted relief to the extent of Rs. 2 lakh and upheld the addition of balance of Rs.11,47,000/-. Before us, it is AR's submission that assessee is a Railway Guard working with India Railway since 1984 and has been receiving salary in cash from his employer up to Feb, 2015. Learned AR has also pointed to the salary as per Form 16 for A.Y. 2012-13 to be at Rs.10,42,763/- and for A.Y. 2014-15 at Rs.11,38,262/-. Considering the totality of the aforesaid facts, the source of cash deposits in the bank account is not in doubt in the

absence of any material to the contrary on record. Further the contention of the assessee that assessee is not paying any rent for the accommodation, his children being grown up and not being dependent on assessee, the younger child is stated to be serving in Air Force and is stated to be contributing to the expenses of his parents has not been proved to be false. Considering the totality of the aforesaid facts, we are of the view that the addition of Rs.11,47,000/- is uncalled for more so, when the assessee has fully explained the source of cash deposits. Considering the totality of aforesaid facts, we direct the deletion of addition of Rs.11,47,000/-. **Thus the ground of assessee is allowed.**

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

Order pronounced in the open court on 18.08.2021

Sd/-

**(KULDIP SINGH)
JUDICIAL MEMBER**

Sd/-

**(ANIL CHATURVEDI)
ACCOUNTANT MEMBER**

Date:- 18.08.2021

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Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR
ITAT NEW DELHI