

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

**BEFORE DR. M. L. MEENA, ACCOUNTANT MEMBER
AND SH. ANIKESH BANERJEE, JUDICIAL MEMBER**

**I.T.A. No. 468/ASR/2017
(Assessment Year: 2010-11)**

Sh. Mandeep Kumar, H. No. 306, LIG, Housing Board Colony, Urban Estate, Ph-1, Jalandhar PAN:-ABUPK 2039A (Appellant)	Vs .	Income-Tax Officer, Ward-3(4), Jalandhar (Respondent)
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Appellant by	:	Sh. Rupansh Gupta, CA
Respondent by	:	Sh. S. M. Surenderanath, Sr DR

Date of Hearing	:	17.05.2022
Date of Pronouncement:		12.07.2022

ORDER

Per: Anikesh Banerjee, JM:

The instant appeal is directed against the order of Ld. Commissioner of Income Tax (Appeal)-2, Jalandhar {in brevity CIT(A)} bearing appeal no. 395/12-13/CIT(A)/JAL date of order 12.04.2017, passed u/s. 250(6) of the Income Tax Act,

1961 (in brevity of the Act) for the Assessment year 2010-11.

The impugned order was originated from the order of Income Tax Officer, Ward 3(5) Jalandhar (in brevity A.O) passed u/s.143(3) of the Act for the order dated 04.12.2012.

2. The brief fact of the case is that during the assessment proceedings, assessee was asked to produce the source of cash deposit amount to Rs. 15,55,000/- in Saving Bank account no. 00342040001610 maintained with OBC Bank during the period for financial year 2009-10. The assessee was able to explain the source of cash deposit amount to Rs.11,81,250/- on account of sale of ancestral agricultural land. The balance amount Rs.3,73,750/- was from sale of ancestral gold ornaments. The Id. AO accepted the source of cash deposit related to sale of ancestral property but did not accept the sale of gold ornament of Rs.3,73,750/-. The amount at Rs.3,73,750/- was added back with the total income of the assessee during the assessment year in the head "Other Income". Assessee filed an appeal before the CIT(A) with the grievances of addition Rs 3,73,750/- with other additions. The Id. CIT(A) allowed the relief in other addition but sustained only

the addition amount to Rs.3,73,750/-. Aggrieved assessee filed appeal before us only to adjudicate the addition amount of Rs.3,73,750/- before us.

3. The Id. Counsel of the assessee filed a written submission during the proceedings. The assessee submitted that the gold ornaments which was acquired by assessee from his ancestral. The gold ornaments was sold on 05.11.2009 and 07.11.2009 amount to Rs. 1,72,840/- and Rs. 1,77,290/- respectively. The copy of transactions memo of M/s Neelamani Jewellers (purchaser of gold ornaments) of HIG 558, Jamalpur colony, Opp. Dushera Ground, Metro Road, Ludhiana are attached with APB. Copy of receipts are attached in the paper book page no. 9 & 10. The assessee accumulated the fund from sale of gold ornaments total amount to Rs. 3,50,130/-. Balance cash Rs. 23,620/- (3,73,750-3,50,130) was deposited from withdrawal of cash from bank account. The entire cash deposit was explained before both the Revenue Authorities. But without proper verification of the facts, the Id. CIT(A) did not consider the submissions of the assessee. The ornaments were sold to

the party who has full identity with the Sales-tax and Central Sales Tax (ST and CST) numbers, reflected in the bills.

4. The Id. Sr. DR argued and relied on the order of the CIT(A). He further argued that the transaction of gold ornaments sale was in cash. So, the genuinity of the transaction is in questioned. He relied on the order of the CIT(A) para no. 6.7 which is annexed herewith:

"6.7 Having considered the material available on record, I find that additional evidence filed by the appellant does not substantiate the sources of deposit of cash as the said payment is not authenticated with confirmation and assessment details of the said party. The sale bills have been made in cash and the items sold also do not confirm to the fact whether these items of jewellery have been inherited from parents in the absence of f documentary evidence to support the same. Therefore, I hold that appellant has failed to furnish any evidence to substantiate the source of deposit of cash and confirm the addition of Rs.3,73,750/- made by the AO under this head."

5. We heard the rival submissions and considered the documents available in the record. In the assessment proceedings the Id. AO considered one part of cash deposit but rest part amount to Rs.3,73,750/- was added back. During the adjudication of assessment proceedings, the assessee filed additional evidence before the Id. CIT(A). The matter was remanded back. The assessee explained that the jewellery of

deceased mother was sold to the jeweller. In fact, the inheritance of the jewellery for the assessee was already explained during the remand. Neither of the Revenue Authorities had made verification to the jeweller related to purchase of old ornaments from the assessee. As per point of evidence, the assessee submitted relevant bills of the jewellers with identity and sales tax registration numbers of buyer. The sources of cash were explained by the assessee before the Revenue Authorities. So, the addition amount to Rs. 350,130/- sustained by the Id. CIT(A) entirely deleted.

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

Order pronounced in the open court on 12.07.2022

Sd/-
(Dr. M. L. Meena)
Accountant Member

Sd/-
(Anikesh Banerjee)
Judicial Member

Copy of the order forwarded to:

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

True Copy

By Order