



॥ आयकर अपीलीय न्यायाधिकरण, पुणे "ए" न्यायपीठ, पुणे में ॥



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

BEFORE HON'BLE SHRI S. S. VISWANETHRA RAVI, JUDICIAL MEMBER

AND

SHRI G. D. PADMAHSHALI, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA No.155/PUN/2023

निर्धारण वर्ष / Assessment Year : 2014-15

Ashok Khimraj Jain.,

Vimal Emporium, Tilak Rd.,

Nandurbar - 425412

PAN : AHPPJ6362E

..... अपीलार्थी / Appellant

बनाम / V/s.

Dy. Commission of Income Tax

Circle, Dhule

..... प्रत्यर्थी / Respondent

द्वारा / Appearances

Assessee by : Shri Hari Krishan

Revenue by : Ms Deepali Kalbandhe

सुनवाई की तारीख / Date of conclusive Hearing : 25/04/2023

घोषणा की तारीख / Date of Pronouncement : 25/04/2023

आदेश / ORDER

PER G. D. PADMAHSHALI, AM;

By the present appeal the assessee challenges the order of National Faceless Appeal Centre, Delhi [for short "NFAC"] dt. 10/08/2021 passed u/s 250 of the Income-tax Act, 1961 [for short "the Act"] which upholds the addition made u/s 69A by an order of assessment dt. 26/10/2018 passed u/s 143(3) r.w.s. 147 of the Act.



2. After hearing rival contentions, perused the material placed on record in light of Rule 18 of ITAT-Rules 1963 and we find that the sole issue in present appeal hinges around impugned addition made u/s 69A on failure to adduce evidentiary proof explaining source and nature.

3. We note that, during the course of assessment proceedings for AY 2017-18 the appellant while substantiating source of cash ₹15,95,000/- ('SBN') deposited in his bank account during demonetisation period has claimed a balance of cash in hand ₹6,57,438/- as held on 31/03/2014. In the absence of return for impugned AY the Ld. AO initiated the re-assessment proceedings by service of notice u/s 148 of the Act and in the event of failure of assessee in adducing cogent & evidentiary proof in support of his claim that such cash balance was accumulation out of his saving from salary income and plot trade commission, the Ld. AO framed an assessment making an addition u/s 69A of entire the cash in hand so claimed to have held as 31/03/2014.



4. Aggrieved appellant unsuccessfully challenged the addition before the first appellate authority, resultantly the extant appeal instituted by the appellant assessee.

5. We have carefully gone through the impugned order and we find that, after a due analysis of facts and in absence of any plausible explanation from the appellant assessee, the Ld. CIT(A) in confirming the addition gave his findings that the assessee dejectedly failed to substantiate the nature and source of accumulated cash balance held as on the closure of previous year i.e. 31/03/2014. Thus, in so far as the addition u/s 69A is concerned, we find that the order of the Ld. CIT(A) is just, proper and reasonable except granting no-relief to the appellant assessee towards saving arising out of the salary income in spite of the production of salary certificate from the employer.

6. Since the department has undisputedly accepted the salary income of ₹1,75,000/- as returned in the ITR filed pursuant to u/s 148 of the Act, the assessee upshot



deserves the accumulated credit of saving therefrom. We see that, no individual can have cash balance without there being any source of income, *ergo* when a source of employment is admittedly accepted by the department, as a corollary saving therefrom should also follow. For the reason in our considered view a saving of 50% of such salary income returned would be reasonable, just and proper to form part of closing cash balance. Resultantly the addition is directed to be reduced by 50% of salary income returned & accepted.

5. In result, appeal of the assessee is PARTLY ALLOWED in aforesaid terms.

In terms of rule 34 of ITAT Rules, the order pronounced in the open court on this Monday 24th day of April, 2023.

-S/d-

S. S. VISWANETHRA RAVI
JUDICIAL MEMBER

-S/d-

G. D. PADMAHSHALI
ACCOUNTANT MEMBER

पुणे / PUNE ; दिनांक / Dated : 08th day of May, 2023.

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

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The CIT(A)-NFAC, Delhi (India)
4. The CIT -1, Pune (MH-India)
5. DR, ITAT, Bench 'A', Pune
6. गार्डफ़ाइल / Guard File.

Ashwini

आदेशानुसार / By Order,
वरिष्ठ निजी सचिव / Sr. Private Secretary
आयकर अपीलीय न्यायाधिकरण, पुणे / ITAT, Pune.