

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

**BEFORE SH. SAKTIJIT DEY, VICE PRESIDENT  
AND  
SH. N. K. BILLAIYA, ACCOUNTANT MEMBER**

ITA No.1114/Del/2022  
Assessment Year: 2017-18

<b>Rashmi Agarwal 102, Rohit House, 3 Tolstoy Marg, Connaught Place, New Delhi-110001 PAN No.AAXPA7947D</b>	<b>Vs.</b>	<b>ACIT Central Circle -31 New Delhi</b>
<b>(APPELLANT)</b>		<b>(RESPONDENT)</b>

Appellant by	Sh. Ved Jain, CA Ms. Supriya Mehta, CA
Respondent by	Sh. Vivek Vardhan, Sr. DR

Date of hearing:	18/12/2023
Date of Pronouncement:	21/12/2023

**ORDER**

**PER N. K. BILLAIYA, AM:**

This appeal by the assessee is preferred against the order of the CIT(A)-30, New Delhi dated 27.04.2022 pertaining to A.Y. 2017-18.

2. The sum and substance of the grievance of the assessee is that the CIT(A) erred in sustaining the addition of Rs.67.85 crores made by the AO on account of cash deposit in the bank account treating the same as unexplained deposit.

3. Briefly stated the facts of the case are that the assessee filed her return electronically on 01.08.2017 declaring income of Rs.524690/-. The return was selected for scrutiny assessment and accordingly statutory notices were issued and served upon the assessee.

4. During the course of the scrutiny assessment proceedings the assessee was asked to give details in respect of sources of cash deposit in her bank account alongwith supportive evidences. In her reply dated 20.12.2019 the assessee stated that she does not maintain high balance in her bank account and prefer to keep cash in her possession which was explained that she has been regularly withdrawing cash from the bank and depositing the same subsequently.

5. The reply of the assessee did not find any favour with the AO. The AO was of the opinion that the assessee has been depositing huge cash in her account on regular basis while the number withdrawals made by herself is negligible. Since the assessee could not explain source of cash deposited made by her, the AO treated Rs.67.85 crores as unexplained cash deposits.

6. The assessee carried the matter before the CITI(A) but without any success.

7. Before us the Counsel for the assessee vehemently stated that the assessee prefer to keep cash in her possession, therefore, she was frequently withdrawing cash from her bank account and depositing the same whenever required which was explained that the assessee has deposited cash out of her past withdrawals

which are duly reflected in her bank statements. The Counsel referred to the cash flow chart showing the trend of frequent cash withdrawals and subsequent re-deposits made by the assessee in her bank account. It is the say of the Counsel that the only onus on the assessee is to explain source of cash deposit which the assessee has successfully shown, therefore, the impugned addition should be deleted.

8. Per contra the DR strongly supported the findings of the AO and read the operative part of the order of the first appellate authority.

9. We have given a thoughtful consideration to the orders of the authorities below. It would not be out of place to mention that we cannot judge human nature as every human acts differently in the society. The assessee is in the habit of keeping cash in hand by frequently withdrawing the cash from her bank account. This behavior of the assessee may appear to be impractical but cannot be brushed aside lightly. The cash flow chart is as under :-

01.08.2016	-	10,00,000/-	8,13,516/-
01.09.2016	-	3,00,000/-	5,13,516/-
15.11.2016	-	2,25,000/-	2,88,516/-
28.11.2016	50,000/-	-	3,38,516/-
08.12.2016	50,000/-	-	3,88,516/-
29.12.2016	50,000/-	-	4,38,516/-
24.01.2017	1,00,000/-	-	5,38,516/-

05.01.2016	15,00,000/-	-	35,63,516/-
15.01.2016	-	20,00,000/-	15,63,516/-
22.01.2016	10,00,000/-	-	25,63,516/-
02.02.2016	5,00,000/-	-	30,63,516/-
04.02.2016	5,00,000/-	-	35,63,516/-
09.02.2016	10,00,000/-	-	45,63,516/-
25.02.2016	500,000/-	-	50,63,516/-
02.04.2016		10,00,000/-	40,63,516/-
02.04.2016	-	10,00,000/-	30,63,516/-
13.04.2016	-	8,00,000/-	22,63,516/-
13.04.2016	-	7,00,000/-	15,63,516/-
22.04.2016	-	1,50,000/-	14,13,516/-
02.05.2016	1,00,000/-	-	15,13,516/-
04.05.2016	-	300,000/-	12,13,516/-
27.05.2016	10,00,000/-	-	22,13,516/-
10.06.2016	-	5,00,000/-	17,13,516/-
10.06.2016	-	4,00,000/-	13,13,516/-
16.07.2016	10,00,000/-	-	23,13,516/-
16.07.2016	-	5,00,000/-	18,13,516/-

10. From the above table it can be seen that the assessee was withdrawing substantial cash from her bank account and re-depositing the same subsequently. Except for disbelieving the

behavior of the assessee no defect has been pointed out by the AO in her habit of withdrawing cash. In our considered opinion the assessee has successfully explained and discharged the initial burden of explaining the source of cash deposit, therefore, we do not find any reason/ justification for making the impugned addition. The AO is directed to delete the impugned addition. The appeal of the assessee is allowed.

Order pronounced in the open court on 21.12.2023.

**Sd/-**  
**(SAKTIJIT DEY)**  
**JUDICIAL MEMBER**

\*NEHA\*

Date:- .12.2023

Copy forwarded to:

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

**Sd/-**  
**(N. K. BILLAIYA)**  
**ACCOUNTANT MEMBER**

ASSISTANT REGISTRAR  
ITAT NEW DELHI