

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

BEFORE SHRI SHAMIM YAHYA, ACCOUNTANT MEMBER

**ITA No.3723/DEL/2023
[Assessment Year: 2017-18]**

Trilok Chand Singhal, 45, Manav Apartment, A-3,Paschim Vihar, New Delhi-110063	Vs	ITO, Ward-67(4), Civic Centre, Minto Road, New Delhi-110002
PAN-AHZPS8582K		
Assessee		Revenue

Assessee by	Sh. Umesh Thakur, CA
Revenue by	Sh. Om Prakash, Sr. DR

Date of Hearing	05.02.2024
Date of Pronouncement	09.02.2024

ORDER

This appeal by the assessee is directed against the order of the learned CIT(A)-12, Mumbai, dated 14.12.2023 pertaining to Assessment Year 2017-18.

2. The grounds of appeal reads as under:-

1 That on the facts and circumstances of the case Ld. CIT(A) was not justified in confirming the action of the Assessing Officer of treating the cash deposit of Rs.400000/- as unexplained money u/s 69A and taxing the same u/s 115BBE. Amount deposited by the assessee was out of his returned income of earlier years and is duly accounted for. Therefore, Action of the Ld. Assessing Officer in treating the amount as unexplained is highly unjustified and uncalled for.

2. That on the facts and circumstances of the case Ld. CIT(A) was not justified in confirming the action of the Assessing Officer of treating the cash deposit of

Rs.400000/- as the income of the assessee for the relevant previous year. Amount was from past income and withdrawals which was already declared by the assessee in its return of income filed. Therefore, the action of the Assessing Officer is bad in law and uncalled for.

3. Brief facts of the case are that in this case, the Assessing Officer treated a cash deposit of Rs.4,00,000/- during demonetization period in assessee's bank account as unexplained and made addition.

4. Upon assessee's appeal, the Ld. CIT(A) upheld the addition.

5. Against the above order, the assessee is in appeal before the Tribunal.

5. I have heard rival submission and perused the material available on record. I find that the assessee is a retired person and claims that it was his part of saving, which was available in cash, which has been deposited in the bank account. Furthermore, the assessee has given an affidavit from his wife, who has also submitted that she handed all over cash to her husband for depositing in the bank account.

6. Upon careful consideration, I find that husband and wife can have a cash saving of Rs.4,00,000/- over the years. This cannot be said to be unexplained as it is also the submission of the Ld. Counsel for the assessee that the CBDT Circular itself permitted holding of Rs.2,50,000/- cash. In this view of the matter, in my considered opinion, the authorities below have erred in making the addition. I

set-aside the orders of the authorities below and decide the issue in favour of the assessee.

7. In the result, the appeal of the assessee stands allowed.

Order pronounced in the open court on 09th February, 2024.

Sd/-
[SHAMIM YAHYA]
ACCOUNTANT MEMBER

Delhi; 09.02.2023.

Shekhar,

Copy forwarded to:

1. Assessee
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar,
ITAT, New Delhi