

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

Before Sh. Kul Bharat, Judicial Member

Dr. B. R. R. Kumar, Accountant Member

ITA No. 3910/Del/2023 : Asstt. Year : 2017-18

Raveena Khera, 125, 1 st Floor, Mangolpuri, New Delhi-110083	Vs.	Income Tax Officer, Ward-34(4), New Delhi-110002
(APPELLANT)		(RESPONDENT)
PAN No. DLEPK9133E		

Assessee by : None

Revenue by : Sh. Om Prakash, Sr. DR

Date of Hearing: 22.04.2024

Date of Pronouncement: 23.04.2024

ORDER

Per Dr. B. R. R. Kumar, Accountant Member:

The present appeal has been filed by the assessee against the order of Addl./JCIT(A)-2, Mumbai dated 17.10.2023.

2. Following grounds have been raised by the assessee:

"1) The Appellant filed his Return of Income for A.Y. 2017-18 declaring an Income of Rs. 1,93,776 /. The taxable income has been fixed at Rs. 7,79,816/- as per the assessment order under section 143 (3).

2) The Learned Assessing Officer has made an addition of Rs.5,86,040/-. The details are Rs. 5,06,900/- in account of addition under section 69A of Income Tax Act. 1961 And Rs.79,140/- in an account of Salary Income.

3) The Learned Assessing Officer also initiated penalty proceedings u/s 271AAC of Income Tax Act 1961 and U/s 270-A (2) for under reporting respectively for the above-mentioned addition.

4) The Appellant has not accepted the addition of Income as the amount, in addition, was not an Un-explained income U/s 69 A the amount Rs. 5,06,900/- was a receipt against the sale

of products which the Assessee received during the year, are based on profit & loss account attached with the Income-tax Return for the A.Y. 2017-18. The reason for this belief is explained in our attached sheet.

5) The Appellant has accepted the amount of Rs. 79,140/- as an addition of Income, under the head Income from the salary. With a request not to impose penalty u/s 270A (2)

6) The Appellant, in reply to the notice under section 271AAC and 270A (2) also requested the Assessing Officer to drop the penalty proceedings.

7) The Appellant filed an appeal against the order under section 143(3) of the Income Tax Act 1961 passed by Ward 34(4) Delhi to Add/JCIT (A)-2, Mumbai vide appeal no. CIT (A) Delhi-12/11123/2019-20.

3) The Order U/s 250 Of Income Tax Act 1961, has been passed on 17/10/2023 by the office of The Commissioner of Income Tax, Appeal Add/JCIT(A)-2, Mumbai

9) This appeal is being preferred with a request to delete the demand for the Addition of Taxable income U/s 250 and Penalty proceedings under sections 271AAC and 270A (2)."

3. The pertinent facts relevant for adjudication of this case are that the assessee had deposited the total amount of Rs.16,71,000/- in her bank accounts maintained at Kotak Mahindra Bank and ICICI Bank Ltd. Before the Assessing Officer, the assessee submitted that an amount of Rs.5,72,000/- has been received from four of her relatives on various occasions and from the petty business. The Assessing Officer held that the cash received from sales & debtors of Rs.5,06,900/- has not been proved.

4. The Id. JCIT(A) affirmed the action of the Assessing Officer on the grounds that no purchase bills and sales bills have been provided.

5. We find that the Id. JCIT(A) wrongly held that the assessee never took a stand that these are proceeds from business rather

produced statement of relative to show that they had given gifts. We find that the explanation of running a business has already been mentioned in para 7 page 3 and also at page 5 of the Assessment Order. The assessee has duly submitted that the assessee was into petty business before the Assessing Officer, the fact of which has been ignored wrongly by the Id. JCIT(A). Hence, keeping in view, the entire record, we hold that the addition made by the Assessing Officer cannot withstand the test of fitness.

6. In the result, the appeal of the assessee is allowed.
Order Pronounced in the Open Court on 23/04/2024.

Sd/-

(Kul Bharat)
Judicial Member

Dated: 23/04/2024

Subodh Kumar, Sr. PS

Copy forwarded to:

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

Sd/-

(Dr. B. R. R. Kumar)
Accountant Member

ASSISTANT REGISTRAR