

आयकर अपीलीय अधिकरण, हैदराबाद पीठ
IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad 'SMC' Bench, Hyderabad

Before Shri Laliet Kumar, Judicial Member

आ.अपी.सं / **ITA No.478/Hyd/2024**
(निर्धारण वर्ष / Assessment Year: 2017-18)

Shri Venkata Narayana Gaddam, Nalgonda PAN:AFBPG8798K (Appellant)	Vs.	Income Tax Officer Ward-1 Nagonda (Respondent)
निर्धारिती द्वारा / Assessee by: Shri A.V. Raghuram, Advocate		
राजस्व द्वारा / Revenue by: Shri Shakeer Ahmed, DR		
सुनवाई की तारीख / Date of hearing: 30/05/2024		
घोषणा की तारीख / Pronouncement: 30/05/2024		

आदेश / ORDER

This appeal filed by the assessee is directed against the order dated 16/03/2024 of the learned CIT (A)-NFAC Delhi, relating to A.Y.2017-18 in sustaining the addition made by the Assessing Officer of Rs.7,50,000/- as unexplained money u/s 69A of the I.T. Act, 1961.

2. Facts of the case, in brief, are that the assessee is found to have made aggregate cash deposits of Rs.10,00,000/- in his bank accounts during the demonetization period of specified bank notes from 8.11.2016 to 30.12.2016. The Assessing Officer

issued notice u/s 142(1) of the I.T. Act, 1961 calling the assessee to file his return of income for the A.Y 2017-18. The assessee has not filed his return of income for the A.Y 2017-18, the Assessing Officer decided to make 'best judgment assessment' u/s 144 of the I.T. Act, and made a demand of Rs.10,00,000/- as unexplained income u/s 69A of the I.T. Act.

3. In appeal, the learned CIT (A) NFAC, partly allowed the appeal of the assessee by giving relief of Rs.2,50,00/- which was deposited prior to the demonetization period.

4. Aggrieved with such order of the learned CIT (A) NFAC, the assessee is in appeal before the Tribunal.

5. The learned Counsel for the assessee submitted that the remaining Rs.7,50,000/- earned by the assessee from agricultural income and from advocate profession. Thus, the learned Counsel for the assessee prayed for remanding the issue to the file of the learned CIT (A) NFAC for fresh adjudication of the issue after providing one more opportunity of being heard to the assessee.

6. The learned DR, on the other hand, heavily relied on the order of the authorities below.

7. We have heard the rival arguments made by both the sides and perused the material available on record. The learned

AR drew our attention to para 5.4 of the order of the learned CIT (A) wherein the learned CIT (A) has partly allowed the appeal of the assessee and confirmed the addition of Rs.7,50,000/- in the hands of the assessee. In fact, before the learned CIT (A), the assessee has shown that the amount added in the hands of the assessee to the tune of Rs.2,50,000/- has been wrongly added as the said amount does not belongs to the assessee's income and the assessee has only deposited a sum of Rs.7,50,000/- in his bank account. Considering the above said statement, the learned CIT (A) on examining the bank account of the assessee have deleted the amount of Rs.2,50,000/- as the same does not belongs to the assessee. It was submitted that the assessee is a lawyer by profession having practice of more than 30 years and is an agriculturist. It was submitted that it is difficult to presume that in the advanced age of life that the petitioner would not have saved an amount for his advanced age for medical purposes and his livelihood etc. It was the submission that a reasonable view may be taken considering the educational qualification, occupation and agricultural holding of the assessee. It was submitted that the agricultural land holding by the assessee was more than 3 acres which has not been disputed by the Assessing Officer in the assessment order.

8. In my considered view, the balance is required to be maintained between need of the assessee on account of advanced age and his occupation. Admittedly, the assessee was a lawyer

and holding agricultural land of 2.1 acres in Chittoor village to say that the assessee was not having any amount on saving during the demonetization period is unbelievable and therefore, I am of the considered opinion that minimum an amount of Rs.3 to 4 lakhs are required to be kept for medical emergencies for his sustenance etc. Considering the totality of the facts of the case I am of the considered opinion that the addition of Rs.4,50,000/- is required to be held and the amount of Rs.3,00,000/- confirmed by the learned CIT (A) is required to be confirmed. Thus, the assessee gets an additional relief of Rs.4,50,000/- over and above the relief already granted by the learned CIT (A).

9. In the result, appeal filed by the assessee is partly allowed.

Order pronounced in the Open Court at the time of hearing itself i.e. on 30th May, 2024.

Sd/-

(LALIET KUMAR)
JUDICIAL MEMBER

Hyderabad, dated 30th May, 2024

Vinodan/sps

Copy to:

S.No	Addresses
1	Sri Venkata Narayana Gaddam, 6-2-102/B Ramagiri Nalgonda 508001
2	Income Tax Officer Ward 1 Income Tax Office, Near Rail Under Bridge, Nalgonda 508001
3	Pr. CIT - Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order