

आयकर अपीलीय अधिकरण, हैदराबाद पीठ में
**IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCHES "SMC", HYDERABAD**

BEFORE SHRI K. NARASIMHA CHARY, JUDICIAL MEMBER

आ.अपी.सं / **ITA No. 325/Hyd/2024**
(निर्धारण वर्ष / Assessment Year: 2017-18)

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| Bharathi Devi Tipirneni, Hyderabad [PAN No. AEUPT7323P] | Vs. Income Tax Officer, Ward-8(2), Hyderabad |
| अपीलार्थी / Appellant | प्रत्यर्थी / Respondent |

निर्धारिती द्वारा/Assessee by: Smt. S. Sandhya, AR
राजस्व द्वारा/Revenue by: Shri Ashish Kumar Shukla, DR

सुनवाई की तारीख/Date of hearing: 02/05/2024
घोषणा की तारीख/Pronouncement on: 06/06/2024

आदेश / ORDER

Aggrieved by the order dated 23/02/2024 passed by the learned Addl/JCIT(A)-6, Kolkata ("Ld. CIT(A)"), in the case of Bharathi Devi Tipirneni ("the assessee") for the assessment year 2017-18, assessee preferred this appeal.

2. Brief facts of the case are that, the assessee is an individual and filed the return of income for the assessment year 2017-18 on 31/07/2017, declaring total income of Rs. 3,88,810/-. Learned Assessing Officer added a sum of Rs. 7.39 lakhs, which were deposited in the account of the assessee on 16/11/2016 during demonetization period. The assessee pleaded that she owns the agricultural land to the extent of Ac. 3.85 cents in East Godavari District. Her parents cultivate the same and accumulate the agricultural proceeds, but due to demonetization of specified notes, they deposited the entire cash that was available in their hands and relatable to the assessee in her bank account on 16/11/2016.

3. Before the learned CIT(A) also the assessee took the same plea, but the learned CIT(A) took the view that the assessee did not report agricultural income in her earlier returns of income nor did she report the accumulated cash on hand in the immediate previous assessment year and, therefore, the same cannot be believed.

4. It is pleaded before me that there is no reason for the authorities not to believe the source pleaded by the assessee for the deposits in the bank account during demonetization period and inasmuch as the assessee made the deposits within a week of the notification of the demonetization, there are no suspicious circumstances surrounding the deposits. According to the assessee, all the deposits represent the accumulated cash in the hands of the parents of the assessee and also the savings of her husband.

5. Per contra, learned DR submitted that no such cash was reported to the assessee at any point of time prior to the deposits and, therefore, the authorities are justified in making a suspicious addition.

6. I have gone through the record in the light of the submissions made on either side. There is no dispute as to the assessee possessing agricultural land to the tune of Ac. 3.85 cents in East Godavari Dist., and there is nothing to disbelieve the statement of the assessee that such lands are cultivated by the parents of the assessee and the agricultural proceeds are kept by the parents of the assessee with an intention to purchase some more land on the name of the assessee. Case of the assessee in explaining the deposits is that as on the date of demonetization, certain cash relatable to her was available in the hands of the parents and because of demonetization, such cash was forced to be deposited in the bank account and, therefore, there is nothing to be suspected about this deposit.

7. It could be seen from the bank statement that the entire deposits of Rs. 7.39 lakhs were deposited into the account of the assessee on 16/11/2016 itself on a single day that too within close proximity to the declaration of demonetization. For an agricultural family, possessing Ac. 3.85 cents of land and also a retired Railway employee, holding a cash of Rs. 7.39 lakhs is nothing to be abnormal to dis-believe. Taking into consideration, the deposit of entire cash on a single day within less than a week from the announcement of demonetization, coupled with the fact of possessing means by the assessee, I accept the contention of the assessee and direct the learned Assessing Officer to delete the addition so made. Grounds are allowed accordingly.

8. In the result, appeal of the assessee is allowed.

Order pronounced in the open court on this the 6th day of June, 2024.

Sd/-
(K. NARASIMHA CHARY)
JUDICIAL MEMBER

Hyderabad,
Dated: 06/06/2024

TNMM

Copy forwarded to:

1. Bharathi Devi Tipirneni, H.No. 3-12-23, Mahalakshmi Nilaya, Vinayak Nagar, Phase-2, Puppalaguda, Hyderabad.
2. Income Tax Officer, Ward-8(2), Hyderabad.
3. The Pr.CIT, Hyderabad.
4. DR, ITAT, Hyderabad.
5. GUARD FILE.

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ASSISTANT REGISTRAR
ITAT, HYDERABAD