

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.651/Hyd/2024
(निर्धारण वर्ष / Assessment Year: 2017-18)

Vanaja Parepally Vs. Income Tax Officer
Suryapet Ward-1
[PAN : BCEPP7698J] Suryapet

अपीलार्थी / Appellant प्रत्यर्थी / Respondent

निर्धारिती द्वारा/Assessee by: Shri S.Sandhya, Adv
राजस्व द्वारा/Revenue by: Shri Ranjan Agarwala, DR

सुनवाई की तारीख/Date of hearing: 26/07/2024
घोषणा की तारीख/Pronouncement on: 14/08/2024

आदेश / ORDER

PER K. NARASIMHA CHARY, J.M:

Aggrieved by the order dated 24/04/2024 passed by the learned Commissioner of Income Tax (Appeals) ("Ld. CIT(A)"), in the case of Vanaja Parepally ("the assessee") for the assessment year 2017-18, assessee preferred this appeal.

2. Assessee is an individual and claimed to have been earning income being a travel agent, engaged in booking rail tickets, flight tickets and bus tickets etc. The Assessing Officer found that during the demonetization period, there were cash deposits in the bank account of the assessee to the tune of Rs.5.83 lakhs. The Assessing Officer recorded that the assessee did not substantiate his claim as to the source of impugned deposits being

the amount for booking the tickets. On that score, the Assessing Officer made the addition of entire Rs.5.83 lakhs.

3. Assessee preferred appeal and pleaded the same thing before the Ld.CIT(A) also. The Ld.CIT(A) also recorded that the assessee did not show any business income in his return and failed to furnish any documentary evidence to demonstrate that the cash deposits were made from the business receipts. The Ld.CIT(A) accordingly dismissed the appeal.

4. Hence, this appeal by the assessee contending that for the earlier Assessment Year, 2016-17, the assessee filed the return of income, showing an income of Rs.3 lakhs, whereas, for the Assessment Year 2017-18, the assessee declared an income of Rs.3,28,900/- and there is no unusual increase in his income. Ld.AR further submitted that the bank account clearly shows that for every deposit, there are corresponding transfers to IRCTC or APSRTC etc. and this fact is recorded in the bank statement for the period earlier to the demonetization period also. In spite of submitting all these bank statements etc. the authorities did not believe the version of the assessee and made the addition.

5. Ld.DR submitted that the assessee did not submit any papers before the authorities and this fact is evidenced by the impugned order also. In the absence of any documentary evidence produced by the assessee, the authorities are justified in making and upholding the addition.

6. I have gone through the record in the light of the submissions made either side. The bank statements produced by the assessee clearly establishes that the assessee has been regularly transferring the amounts from his account to IRCTC and also APSRTC etc. and all these entries evidencing the deposits and transfers established that the assessee has been regularly dealing with the booking of tickets for transport either by bus, train or flight. Further, the income tax return for the Assessment Year 2016-17 clearly shows that the assessee had shown income of Rs.3 lakhs

for that year, whereas for the Assessment Year 2017-18, he had shown at Rs.3,28,900/. The increase in such income is very marginal and does not indicate any abnormal activity to arise any suspicion. The turnover of the assessee is only that much as of the earlier year. The bank statement entries establish that for the deposits, there are corresponding transfers to IRCTC and APSRTC etc. In these circumstances, I do not find anything to suspect the case of the assessee and while believing it, I direct the Assessing Officer to delete the addition.

7. In the result appeal of the assessee is allowed.

8. Order pronounced in the open court on this the 14th day of August, 2024.

Sd/-
(K. NARASIMHA CHARY)
JUDICIAL MEMBER

Hyderabad,

Dated: 14/08/2024

LR

Copy forwarded to:

1. Vanaja Parepally, 1-68, Kudakuda, Suryapet, Telangana
2. The Income Tax Officer, Ward-1, Suryapet, Telangana
3. The Pr.CIT, Hyderabad
4. DR, ITAT, Hyderabad
5. GUARD FILE

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ITAT, HYDERABAD