

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

**Before Shri Manjunatha, G. Accountant Member**

आ.अपी.सं / **ITA No. 566/Hyd/2024**  
(निर्धारण वर्ष / Assessment Year: 2013-14)

Shri Gulam Majid Sultanpura, Hyderabad PAN:AOHPM3802R (Appellant)	Vs.	Income Tax Officer Ward 12 ( 1 ) Hyderabad (Respondent)
निर्धारिती द्वारा/Assessee by:	Advocate Sufiyan and Mirza Nizam Fareed Baig	
राजस्व द्वारा/Revenue by::	Shri Rahul Singhania, DR	
सुनवाई की तारीख/Date of hearing:	10/09/2024	
घोषणा की तारीख/Pronouncement:	10/09/2024	

**आदेश/ORDER**

This appeal filed by the assessee is directed against the order dated 05/04/2024 of the learned CIT (A)-NFAC Delhi, relating to A.Y.2013-14.

2. The brief facts of the case are that the assessee is an individual and has not filed his return of income for the A.Y 2013-14. As per the information available with the Department, the appellant has deposited a sum of Rs.12,50,000/- in his savings bank account held with J&K Bank Ltd. Based on the information,

the assessment has been reopened u/s 147 of the I.T. Act, 1961 and notice u/s 148 of the Act dated 30.03.2021 was issued and served on the assessee. The assessee did not file any return of income in response to the said notice. Subsequently, notice u/s 142(1) of the I.T. Act, 1961 along with questionnaire were issued on various dates, but no response from the assessee. Therefore, the Assessing Officer passed best judgment assessment order u/s 147 r.w.s. 144 of the I.T. Act, 1961 and made addition of Rs.26,25,000/- towards cash deposits and other credits in bank account on the ground that the appellant could not explain nature and source of credits found in his bank account.

3. Being aggrieved, the appellant preferred an appeal before the learned CIT (A). Before the learned CIT (A), the assessee submitted that he has sold a property for a consideration of Rs.26,25,000/- on 22.02.2013 and received a sum of Rs.11,50,000/- in cheque and the balance amount has been received in cash. The assessee has also furnished various other details including certain confirmation letters from various parties and argued that he has sold old gold jewellery worth Rs.5,31,344/- and received sum of Rs.2,63,000/- from his wife. He further submitted that he has received a sum of Rs.6,80,000/- from cash credit account to his bank account and the same has been withdrawn on 1.1.2013. The learned CIT (A) after considering the relevant submission has allowed partial relief in respect of 2 credits amounting to Rs.7.00 lakhs and Rs.4.50 lakhs

which are received through cheques and in respect of Rs.14,75,000/-, the learned CIT (A) rejected the explanation of the assessee and sustained the additions made by the Assessing Officer on the ground that the appellant could not substantiate the claim of amount received towards sale of old gold ornaments and the amount received from his wife.

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

5. The learned Counsel for the assessee submitted that the appellant has sold old gold worth Rs.5,31,344/- to various parties and to prove his argument, filed certain confirmation from Shri Mohd. Mushahed Ahmed, Smt. Wajida Talath, Smt., Rizwana Tasneen and Mohd. Abdul Rafeeq. The learned Counsel for the assessee further submitted that the appellant has taken cash credit loan from J & K Bank for Rs.15,00,000/-, out of which, he has transferred an amount of Rs.6,80,000/- to Savings Bank Account. The appellant had also withdrawn cash on 13.01.2013 and the same has been deposited into his bank account. The learned Counsel for the assessee further submitted that the appellant has received sum of Rs.2,63,000/- from his wife Smt. Khatija Begum who is an income-tax assessee and the same has been declared in her financial statement. Therefore, he submitted that the appellant has explained the source for credit in the bank account including cash deposits and thus, the addition made by

the Assessing Officer and sustained by the learned CIT (A) should be deleted.

6. The learned DR, on the other hand, supporting the order of the learned CIT (A) submitted that the appellant could not establish the sale of old gold ornaments with credible evidences. Although, few confirmation letters has been furnished from various persons, but the said confirmation letters are incomplete and without any PAN details. Further, the consideration has been claimed to have been paid in cash which cannot be accepted. As regards transfer of Rs.6,80,000/- from cash credit account, the appellant has not filed any loan sanction letters. In respect of amount received from his wife, except confirmation, no details has been filed. Therefore, the learned CIT (A) after considering the relevant facts has rightly made addition and the order of the learned CIT (A) should be upheld.

7. I have heard both the parties, perused the material available on record and gone through the orders of the authorities below. In so far as the sale of old gold ornaments worth Rs.5,31,344/- is concerned, except confirmation letter from few individuals, the appellant could not file any other details/ evidences including bills for purchase of gold jewellery and bills for sale of old gold jewellery. The appellant has also failed to explain the source for purchase of jewellery. Therefore, in absence of relevant details, the confirmation letters filed by the assessee

from few individuals cannot be accepted as necessary evidence to prove sale of old gold ornaments worth Rs.5,31,344/-. Therefore, I am of the considered view that the appellant could not explain cash deposit to the extent of Rs.5,31,344/- and thus the addition made by the Assessing Officer and confirmed by the learned CIT (A) to the extent of Rs.5,31,344/- is confirmed.

8. In so far as the amount claimed to have been transferred out of cash credit account to Savings Bank Account of Rs.6,80,000/- is concerned, the appellant has filed statement of same bank account and in that bank account there is a credit of Rs.6,80,000/- by transfer. Out of said transfer, the appellant has withdrawn Rs.6,80,000/- on 1/1/2013. On a perusal of the said transfer entries and cash withdrawals from same bank account, I am of the considered view that the appellant is having source in the form of cash withdrawal from same bank account in earlier occasion to explain cash deposit into bank account in subsequent dates. Therefore, I direct the Assessing Officer to delete the addition made towards the cash deposits to the extent of Rs.6,80,000/- because the appellant is able to explain the source for the same.

9. In so far as the amount claimed to have been received from his wife Smt. Khatija Begum is concerned, the appellant has filed confirmation letter with her PAN No. He had also filed her return of income filed for the A.Y 2013-14 along with the balance

sheet where the amount of loan given to the appellant has been shown. From the details filed by the assessee, it appears that the appellant has received sum of Rs.2,63,000/- as loan from his wife in cash and the same can be explained as source for cash deposit into bank account. Thus, I direct the Assessing Officer to delete the addition made to the extent of Rs.2,63,000/-.

10. To sum up, out of additions confirmed by the learned CIT (A) to the extent of Rs.14,75,000/-, the appellant gets relief of Rs.9,43,000/- and the balance amount of Rs.5,32,000/- is sustained.

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

Order pronounced in the Open Court on 10<sup>th</sup> September, 2024.

Sd/-

**(MANJUNATHA, G.)  
ACCOUNTANT MEMBER**

Hyderabad, dated 10<sup>th</sup> September, 2024.

***Vinodan/sps***

Copy to:

S.No	Addresses
1	Shri Gulam Majid, Flat No.102 22-1-381 Ornate Home, Sultanpura, Dabeerpura, Hyderabad 500024
2	Income Tax Officer Ward 12(1) Hyderabad
3	Pr. CIT - Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

*By Order*