

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

**BEFORE SH. S. RIFAUR RAHMAN, ACCOUNTANT MEMBER  
AND  
SH. SUDHIR KUMAR, JUDICIAL MEMBER**

ITA No.1446/Del/2021  
Assessment Year: 2017-18

<b>SAHIL SIKKA D-61,KALKAJI NEW DELHI -110019 PAN No. BHKPS5160F</b>	<b>Vs</b>	<b>ITO WARD 30(5) Delhi</b>
<b>(APPELLANT)</b>		<b>(RESPONDENT)</b>

Appellants by	<b>Sh. Saurabh Rohtagi CA</b>
Respondent by	<b>Sh. Amit Katoch, Sr. DR</b>

Date of hearing:	11/09/2024
Date of Pronouncement:	15/10/2024

**ORDER**

**PER SUDHIR KUMAR, JM:**

The above captioned appeal by the assessee is directed against the order of the NFAC/Commissioner of Income Tax (Appeals), Delhi [hereinafter referred to as "CIT(A)"], vide order dated 07.09.2021 pertaining to A.Y.2017-18 arises out of the assessment order passed by the Assessing Officer dated 16.12.2019 u/s 143(3) of the Income Tax Act,1961[hereinafter referred as 'the Act']

2. The assessee has raised the following grounds of appeal :-

1. *That on facts and circumstances of the case, the order passed by the Ld. CIT (Appeal) is bad both in the eyes of law and on facts.*
  2. *The Ld. CIT(A) has erred on facts and in law in upholding the order passed by the Assessing Officer under section 143(3) of the income tax act, 1961.*
  3. *The Ld. CIT(A) has erred on facts and in law in confirming the addition of Rs.20,25,500/- made by the Assessing Officer by invoking the provisions of section 69A of the income tax act, 1961.*
  4. *The Ld. CIT(A) has erred on facts and in law in ignoring the evidences produced before him by the appellant during the appeal proceedings.*
  5. *That the impugned appellate order is arbitrary, illegal, bad in law and in violation of rudimentary principles of Contemporary jurisprudence.*
3. The brief facts of the case are that the assessee is an individual and derived income from salary. The assessee has filed return of income for A.Y. 2017-18 on 31-03-2018 declaring total income Rs.5,13,820/-. The case was selected for scrutiny under CASS for examination of limited issue of deposition of

cash during demonetization period. According to the assessee has deposited the cash amount of Rs.2025500/- in two bank accounts during the demonization period. The AO has made the addition of Rs.2025500/- u/s 69 A of the Act as unexplained income of the assessee.

4. Aggrieved by the order of the AO the assessee has filed the appeal before the Ld CIT(A) who vide his order dated 07-09-2021 dismissed the appeal against which the assessee is in appeal before us.

5. The Ld. AR has submitted that the assessee has withdrawn Rs.25,01347/- from the savings bank account during the financial year 2016-17. He has further submitted that the assessee has taken the jewelry loan which was credited in the bank account and assessee has withdrawn on 29-06-2016 Rs.1474247/- which can be seen from the bank account statement. He has also submitted that the assessee had withdrawn the cash for his marriage as well as for the health reasons of his grandmother who is around 80 years old. The assessee has explained the source of the cash deposited during the demonetization period. In the support of the his contention he has filed a paper book containing pages no 1-37 in which he attached copy of ITR acknowledgement, copy of submission

before CIT(A), copy of ICICI bank account, copy of summary of cash withdrawal during F.Y 2016-17, copy of cash deposited during F.Y.2016017, copy of jewel appraisal certificate issued by ICICI bank, copy of gold Loan statement, copy of declaration of cash withdrawal from jewel loan, copy of reply to AO, copy of HDFC bank statement, copy of bank statement of IDBI bank.

6. The Ld. DR relying upon the orders of the authorities below and submitted that the addition was made on the basis of the material available on record. He has further submitted that assessee has not explained the source of cash deposit during the demonetization period.

7. We have heard the rival arguments and perused the material available on record.

8. The Ld. CIT(A) has observed in his order as under:-

*“Here, the statement of the appellant does not prove the genuineness of the source of cash deposits since the appellant does not furnish any documentary evidence and has also failed to prove that the cash deposited in his bank account during the demonetization period are out of income or otherwise, and failed to explain the sources of cash deposits in his bank account. During the course of*

*appellate proceedings, there is no any supportive evidence has been filed by the appellant so as to justify the availability of such huge cash in hand for depositing in the demonetization period. The appellant has completely failed to lead evidence in order to justify the cash deposit during demonetization period. Hence, the entire cash deposited during the demonetization period in his bank account, totaling to a sum of Rs. 20,25,500/- remains unexplained. The appellant failed to explain how such huge amount of cash was kept in the house. No one keeps more than two lakhs for any eventuality in view of security problems and theft. Hence, this huge cash deposit of Rs.20,25,500/- is clearly from undisclosed sources and all the explanations are clearly on afterthought by the assessee.”*

9. The assessee has explained the source of cash deposited during the demonetization period and filed the paper of the jewel loan taken by him which can be seen from the paper book paper no.17. The assessee has also filed the statement of the bank account to show that the transaction was genuine. The assessee has submitted the documentary evidence to prove that the cash deposited in his bank account during the demonization period are out of income and loan taken by him. The assessee had withdrawn the cash for his marriage purpose as well as for the health reasons of his grandmother and he

succeeds to explain why the huge amount of cash was kept in the house. The assessee has discharged the onus cast upon him. Hence the addition made by the AO and confirmed by Ld CIT(A) is liable to be deleted and deleted accordingly. The appeal of the assessee is liable to be allowed.

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

Order pronounced in the open court on 15.10.2024.

**Sd/-**  
**(S. RIFAUR RAHMAN)**  
**ACCOUNTANT MEMBER**

\*NEHA, Sr. PS\*

Date:- .10.2024

Copy forwarded to:

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

**Sd/-**  
**(SUDHIR KUMAR)**  
**JUDICIAL MEMBER**

ASSISTANT REGISTRAR  
ITAT NEW DELHI