

**आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ "बी", चण्डीगढ़**  
**IN THE INCOME TAX APPELLATE TRIBUNAL, CHANDIGARH BENCH "B", CHANDIGARH**

**HEARING THROUGH: PHYSICAL MODE**

**श्री आकाश दीप जैन, उपाध्यक्ष एवं श्री कृणवन्त सहाय, लेखा सदस्य**  
**BEFORE: SHRI. AAKASH DEEP JAIN, VP & SHRI. SHRI. KRINWANT SAHAY, AM**

आयकर अपील सं. / ITA NO.1017/Chd/2024  
(Assessment Year: 2018-19)

Shri Tirloki Nath Singla SCO 80-81, 3 <sup>rd</sup> Floor Sector 17-C Chandigarh	बनाम	The Asst. CIT Central Circle-2, Chandigarh
स्थायी लेखा सं. / PAN NO: ABXPS6730K		
अपीलार्थी/ Appellant		प्रत्यर्थी/ Respondent

Stay Application No. 26/Chd/2024

In

आयकर अपील सं. / ITA NO.1017/Chd/2024  
(Assessment Year: 2018-19)

Shri Tirloki Nath Singla SCO 80-81, 3 <sup>rd</sup> Floor Sector 17-C Chandigarh	बनाम	The Asst. CIT Central Circle-2, Chandigarh
स्थायी लेखा सं. / PAN NO: ABXPS6730K		
अपीलार्थी/ Appellant		प्रत्यर्थी/ Respondent

निर्धारिती की ओर से/ Assessee by : Shri T.N. Singla, C.A,  
राजस्व की ओर से/ Revenue by : Smt. Kusum Bansal, CIT, DR

सुनवाई की तारीख/ Date of Hearing : 21/10/2024  
उदघोषणा की तारीख/ Date of Pronouncement : 04/11/2024

**आदेश/Order**

**PER AAKASH DEEP JAIN, VP:**

This is an appeal filed by the Assessee against the order of the Ld. CIT(A)-3, Gurgaon dt. 27/09/2024 pertaining to Assessment Year 2018-19.

2. Ground No. 1 is general in nature.
3. Apropos Ground Nos. 2 & 3, the AO made addition of Rs. 14,95,368/- on account of investment made by the Assessee with the Punjab Sand Mining Department. The AO observed that the assessee had not disclosed these investments.

4. It was further held that the details of the investment had not been furnished by the assesee and that the assessee had failed to explain these transactions satisfactorily. It was on this basis that the AO made addition under section 69 of the Income Tax Act, as unexplained investment. The Id. CIT(A) held that the assessee did not give complete details of correct entries in his HDFC Bank Account and that he also did not give any cogent evidence to prove as to how the source of payment for the bidding process from their explained sources.

5. As before the Id. CIT(A), the assessee has contended that he paid the amount of Rs. 14,95,368/- from explained sources as earnest money to participate in the bidding of sand mines in Punjab. The appellant also submitted that, the said tender for e-auction of mines was cancelled and the earnest money paid by prospective bidders was refunded by the Mining Department in the same bank account and these transactions are duly reflected in the bank account statement of the assessee submitted during the assessment proceedings.

6. The Id. DR, on the other hand, placed strong reliance on the impugned order. It has been contended that since the assessee had not filed complete details of the correct entries in his bank account with HDFC Bank Account, nor was he able to prove that the payment for the bidding process had been made from explained source, the Id. CIT(A) has correctly confirmed the addition.

7. It has not been disputed that that before the authorities below, the assessee had provided, as part of the statement of affairs, narration and source of each debit and credit entries during the year, in his bank statement.

8. The bank account statement of the assessee is at APB-14 to 20. This bank statement was furnished before the AO as well as the Id. CIT(A). However, the same

has not been discussed while making / confirming the addition. A perusal there of shows that it was the earnest money paid by prospective bidders, which was refunded by the Mining Department in that very bank account. Such transaction, undisputedly, stands reflected in the bank account statement of the assessee. It has not been taken into consideration by either of the authorities below. It was the refunded amount which was again paid to the Mining Department when the occasion for bidding came about / arose once again.

9. In view of the above, the grievance of the assessee by way of Ground Nos. 2 and 3 is found are justified it is accepted. The addition of Rs. 14,95,368/- is, accordingly hereby order to be deleted.

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

11. In view of the aforesaid, where the matter has been decided in favour of the assessee, the stay application has become infructuous and the same is accordingly dismissed.

Order pronounced in the open Court on 04/11/2024

Sd/-  
**कृणवन्त सहाय**  
**(KRINWANT SAHAY)**  
**लेखा सदस्य/ ACCOUNTANT MEMBER**

Sd/-  
**आकाश दीप जैन**  
**(AAKASH DEEP JAIN)**  
**उपाध्यक्ष/VICE PRESIDENT**

**AG**

आदेश की प्रतिलिपि अग्रेषित/ Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. आयकर आयुक्त (अपील) / The CIT(A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
6. गार्ड फाईल/ Guard File

आदेशानुसार/ By order,  
 सहायक पंजीकार/ Assistant Registrar