

**THE INCOME TAX APPELLATE TRIBUNAL
"SMC" BENCH, DELHI**

BEFORE MS. MADHUMITA ROY, JUDICIAL MEMBER

**ITA No.788/Del/2024
(Assessment Year 2012-13)**

Jagroop Singh, 1102, Village & Post Ghumanhera, Delhi - 110019	Vs.	Commissioner of Income Tax, Loknayak Bhawan, Khan Market, New Delhi-110003
स्थायीलेखासं. / जीआइआरसं. / PAN/GIR No: BEIPS1816M		
Appellant	..	Respondent

Appellant by :	Sh. Manoj Kumar, CA
Respondent by :	Sh. Sanjay Kumar, Sr. DR

Date of Hearing	22.10.2024
Date of Pronouncement	18.11.2024

O R D E R

PER MADHUMITA ROY, JM:

Addition made on account of cash deposit of Rs.10,18,000/- made by the assessee is the subject matter before us.

2. Heard the parties, perused the records. The assessee has deposited cash of Rs.10,18,000/- during the year under consideration. Thus, notice under Section 148 of the Act on 30.03.2019 was issued for reopening of assessment in response where to return was filed on 06.09.2019 declaring income at Rs.4,21,120/-. The source of cash deposit in the Allahabad Bank since not been able to be substantiated by the assessee, the same was added to the total income of the assessee

under Section 69A of the Act which was further confirmed by the First Appellate Authority. Hence, the instant appeal before us.

3. The assessee is an ex-serviceman and then employed with M/s Mother Dairy Fruits and Vegetables Pvt. Ltd. and is a regular income tax payer since Financial Year 2006-07. The assessee lives in a joint family and holding agricultural land and used to grow their own food grains. The case of the assessee is this that he needed to buy a property and for this a demand draft of Rs.10,00,000/- was made on 03.09.2011. The above cash deposit was made from the withdrawal from sister's savings account from State Bank of India; during the Financial Year 2011-12 till the date of payment for purchasing the property on 03.09.2011 she withdrew total amount of Rs.5,50,000/-, Rs.4,00,000/- and Rs.4,50,000/- was withdrawn on 04.03.2011 and 11.08.2011 respectively. Nephew namely Ankit Gulia withdrew amount of Rs.2,00,000/- on 11.08.2011 from his savings bank account with SBI and his brother Mahipal withdrew total amount of Rs.1,06,000/- from his saving account lying with Indian Bank. During the Financial Year 2011-12 the assessee also withdrew Rs.1,80,000/- from his saving bank account till 26.08.2011 for the purpose of purchase of the said property. Therefore, the total amount of Rs.10,36,000/- was withdrawn which was subsequently deposited for the purpose of the purchase of the property by the assessee.

4. Having regard to the social and financial structure of a joint agricultural family and particularly keeping in view the assessee being ex-serviceman and also currently employed with some other organization as a driver assistance rendered by the family members in order to able the assessee to purchase the property cannot be brushed aside. Further

that withdrawals of cash in the past as a source of deposit at a later point of time in the bank account cannot be disbelieved merely on surmise and conjectures that it was improbable for assessee to get cash withdrawal for two years as held by the Hon'ble Bangalore Bench as relied upon by the assessee is also taken into consideration in its proper perspective and, thus, having regard to the entire aspect of the matter the explanation so rendered by the assessee with regard to the source of cash deposit in the bank account of the assessee seems to be acceptable. Rejection of the same is, thus, found to be not valid and thus, quashed. The addition is, therefore, deleted.

5. Assessee's appeal is, thus, allowed.

Order pronounced in the open court on 18.11.2024

Sd/-

(Madhumita Roy)
JUDICIAL MEMBER

Dated 18.11.2024

PS: Rohit

Copy forwarded to:

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

ASSISTANT REGISTRAR

ITAT NEW DELHI