

**आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़**  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**DIVISION BENCH, 'SMC', CHANDIGARH**

**BEFORE SHRI SANJAY GARG, JUDICIAL MEMBER**

आयकर अपील सं./ ITA No. 255/CHD/2024

निर्धारण वर्ष / Assessment Year : 2017-18

Harbhajan Singh, Sardarpura, Jagraon, Ludhiana 142026	बनाम	The ITO, Jagraon
स्थायी लेखा सं./PAN NO: CWHPS1237C		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

( Virtual Hearing )

निर्धारिती की ओर से/Assessee by : Shri Ashwani Kumar, CA

राजस्व की ओर से/ Revenue by : Shri Vivek Vardhan, JCIT

सुनवाई की तारीख/Date of Hearing : 04.11.2024

उदघोषणा की तारीख/Date of Pronouncement : 03.12.2024

**आदेश/Order**

The present appeal has been preferred by the assessee against the order dated 29.01.2024 passed by the Ld. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'CIT(A)'], for the Assessment Year 2017-18.

2. The Assessee is aggrieved by the action of the ld. CIT(A) in confirming the addition of Rs. 10,34,000/- on account of unexplained cash deposits in the bank accounts of the Assessee.

3. At the outset, Id. Counsel for the Assessee has invited my attention to the impugned order of the Assessing Officer to submit that the assessee during the assessment proceedings could not satisfactorily explain the source of the aforesaid cash deposits. He has further invited my attention to the impugned order of the CIT(A) to submit that however, during the appellate proceedings, the Assessee had duly submitted that the aforesaid deposits were out of sale proceeds received on sale of crops and the same was out of agriculture income of the Assessee.

4.1 The Ld. Counsel has invited my attention to the page 7 of the impugned order of the CIT(A) to submit that the Assessee had duly furnished the relevant evidences such as 'J' Form which is the form of proof of sale of crops. Apart from that, the Assessee had also produced the land records showing that the Assessee was owner of the agricultural land. The Assessee had also furnished account statement of the commission agent which clearly showed that the crop sold by the assessee was fully co-related with the 'J' Form and copies of the accounts of the Assessee duly showed that the Assessee had received the aforesaid payment out of sale of agricultural produce which was deposited in the bank account. The Id. CIT(A) had also called upon the remand report from the Assessing Officer in this respect. However, the Assessing Officer reported that there was some mismatch of entries.

4.2 Though, there may be some mismatch of entries in the account of the commission agent, however, the fact on the file is proved that the Assessee was an agriculturist. He owned agricultural land and he sold the agricultural produce. The proof of sale of crops in the shape of 'J' form has also been submitted. There is evidence on the file that the Assessee has received the sale consideration also and the transaction has also been confirmed by the commission agent ('Artia').

5. In view of this, it cannot be said that the amount deposited by the Assessee was from unexplained income. The addition is, therefore, not sustainable. The same is ordered to be deleted.

6. The appeal of the Assessee stands allowed.

In the result, the appeal is allowed.

Order pronounced on 03.12.2024.

Sd/-  
**(SANJAY GARG)**  
**Judicial Member**

“आर.के.”

आदेशकीप्रतिलिपिअग्रेषित/ Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकरआयुक्त/ CIT
4. विभागीयप्रतिनिधि, आयकरअपीलीयआधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्डफाईल/ Guard File

आदेशानुसार/ By order,  
सहायकपंजीकार/ Assistant Registrar