

**IN THE INCOME TAX APPELLATE TRIBUNAL  
PATNA "SMC" BENCH, VIRTUAL HEARING AT KOLKATA**

**Before  
SRI SANJAY GARG, JUDICIAL MEMBER**

**I.T.A. No.: 604/PAT/2024  
Assessment Year: 2017-18**

**Shankar Singh** ..... **Appellant**  
**Kharkhura, PS Delha,**  
**District Gaya, Bihar-823002.**  
**(PAN: GTVPS3568H)**

**Vs.**

**ITO, Ward-3(2), Gaya** ..... **Respondent**

**Appearances:**

**Appellant represented by:** *Shri Jitendra Kr. Sinha, Advocate*  
**Respondent represented by:** *Shri Ashwani Kumar, Sr. DR*

Date of concluding the hearing : 13.02.2025

Date of pronouncing the order : 13.02.2025

**ORDER**

The captioned appeal has been preferred by the assessee against the order dated 29.07.2024 of the Ld. Commissioner of Income Tax (Appeal), National Faceless Appeal Centre, Delhi [hereinafter referred to as Ld. 'CIT(A)'] u/s. 250 of the Income Tax Act, 1961 (hereinafter referred to as the "Act") for Assessment Year (AY) 2017-18.

2. The assessee in this appeal is aggrieved by the action of the Ld. CIT(A) in confirming the addition of Rs.10,75,000/- made by the Assessing Officer on account of unexplained cash deposits in the bank account of the assessee during demonetization period.

3. At the outset, the Ld. Counsel for the assessee has invited my attention to copies of two registered sale deeds dated 24.05.2016 and 09.07.2016. The Ld. Counsel for the assessee has demonstrated that vide sale deed dated 24.05.2016, the assessee had sold his agricultural land for Rs.3,36,000/-. Further, vide sale deed dated 09.07.2016, the assessee had received a sum of Rs.6,26,000/- for sale of his agricultural land. The Ld. Counsel for the

assessee has submitted that though the amount of Rs.3,36,000/- was received through banking channel, however, the amount of Rs.6,26,000/- was received in cash as mentioned in sale deed. The Ld. Counsel for the assessee has further submitted that the assessee is 80 years old agriculturist and did not do financial transactions through banks etc. That he used to keep his cash at his home. However, due to demonetization scheme declared by the Government, the assessee was forced to deposit his cash in the bank account and, therefore, he opened his bank account in the month of November, 2016 and deposited the entire cash lying with him in the bank account including the aforesaid amount received from sale of agricultural land and also a meagre amount of Rs. 1 lac lying with him out of his past savings.

4. The Ld. DR, however, submitted that there is a time gap between the receipt of the amount from sale of land and the deposit of the amount in the bank account.

5. I have considered the rival submissions. In my view, the assessee has duly explained the source of the deposit in the bank account. It has also been explained that the assessee is a rural, 80 years old, agriculturist and was not having any bank account. Under the circumstances, I am convinced that the assessee has duly explained the source of deposit, therefore, the additions made by the lower authorities in this case are unjustified and the same are accordingly ordered to be deleted.

6. In the result, the appeal of the assessee stands allowed.

***Order pronounced in the open Court.***

Sd/-  
**[Sanjay Garg]**  
Judicial Member

Dated: 13.02.2025

*J.Dey (Sr. P.S.)*

*Copy of the order forwarded to:*

1. **Appellant : Shri Shankar Singh**
2. **Respondent : ITO, Ward-3(2), Gaya**
3. **CIT(A), NFAC, Delhi**
4. **CIT**
5. DR, ITAT, Patna Bench, Patna.
6. Guard File.

*//True copy //*

By order

Assistant Registrar  
ITAT, Patna Benches