

IN THE INCOME TAX APPELLATE TRIBUNAL
“SMC” BENCH, AGRA

**BEFORE HON’BLE SHRI SATBEER SINGH GODARA, JM AND
HON’BLE SHRI MANOJ KUMAR AGGARWAL, AM**

आयकरअपील सं./ ITA No.511/Agr/2024
(निर्धारणवर्ष / Assessment Year: 2017-18)

Smt. Ruchi Varshney 8/314, Opp. Gali Gurudwara Raghuvirpuri Banna Devi Aligarh – 202 001	बनाम/ Vs.	ITO 4(1)(5) Aligarh
स्थायीलेखासं./जीआइआरसं./PAN/GIR No. AKDPV-1230-E		
(अपीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थीकीओरसे/ Appellant by	:	Shri Deependra Mohan (CA) – Ld. AR
प्रत्यर्थीकीओरसे/ Respondent by	:	Shri Shailendra Shrivastava – Ld. Sr. DR

सुनवाईकीतारीख/ Date of Hearing	:	19-02-2025
घोषणाकीतारीख / Date of Pronouncement	:	19-02-2025

आदेश / O R D E R

Manoj Kumar Aggarwal (Accountant Member)

1. Aforesaid appeal by assessee for Assessment Year (AY) 2017-18 arises out of the order of learned Commissioner of Income Tax, National Faceless Appeal Centre (NFAC), Delhi [CIT(A)] dated 15-10-2024 in the matter of an assessment framed by Ld. Assessing Officer [AO] u/s. 143(3) of the Act on 09-12-2019. Having heard rival submissions and upon perusal of case records, the appeal is disposed-off as under.
2. The assessee being resident individual filed her return of income declaring income of Rs.3.35 Lacs. The case was picked up for scrutiny to verify the cash deposited by the assessee to the extent of Rs.20.72 Lacs

during demonetization period. In the absence of any representation as forthcoming from the assessee, Ld. AO added the amount of Rs.20.72 Lacs as unexplained cash credit u/s 69A r.w.s. 115BBE and framed the assessment.

3. During appellate proceedings, the assessee submitted that the cash was sourced from liquidation of advances and cash-in-hand as available with the assessee and the same was duly supported by her Wealth Tax Return filed for AY 2015-16 on 29-03-2016 i.e., much prior to the announcement of demonetization. In this return, the assessee reflected advances (assets) for Rs.11.60 Lacs and cash-in-hand for Rs.7.15 Lacs. Accordingly, the assessee pleaded for deletion of arbitrary addition as made by Ld. AO. However, without meeting the arguments of the assessee, Ld. CIT(A) simply confirmed the stand of Ld. AO. Aggrieved, the assessee is in further appeal before us.

4. Upon perusal of impugned order, it could be seen that wealth tax return claim of the assessee has been rejected by Ld. CIT(A) without even considering the same. Apparently, no cognizance has been taken of the wealth tax return as filed by the assessee. The copy of wealth tax return and computation thereof has been placed on Page Nos. 4 to 6 of the paper-book. This return has been filed on 29-03-2016 which is much before announcement of demonetization and the same therefore, could not be held to be an after-thought. In this return, the assessee has reflected loans and advances for Rs.11.60 Lacs and cash-in-hand for Rs.7.15 Lacs. The complete details of loans have separately been placed on record. Further, in this year, the assessee has declared income of Rs.3.35 Lacs. Putting all these components together, the source of impugned deposit of Rs.20.72 Lacs stand explained. Under

these circumstances, the impugned addition is liable to be deleted in *toto*. We order so. The Ld. AO is directed to re-compute the income of the assessee and revise the impugned demand as raised against the assessee for this year.

5. The appeal stand allowed in terms of our above order.

Order pronounced on 19th February, 2025.

Sd/-
(SATBEER SINGH GODARA)
न्यायिक सदस्य / JUDICIAL MEMBER

Sd/-
(MANOJ KUMAR AGGARWAL)
लेखक सदस्य / ACCOUNTANT MEMBER

Dated: 19-02-2025
Mks

आदेश की प्रतिलिपि ँ ग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT
4. विभागीय प्रतिनिधि/DR
5. गार्डफाईल/GF

ASSISTANT REGISTRAR

ITAT AGRA