

आयकर अपीलीय अधिकरण, 'ए' न्यायपीठ, चेन्नई।
IN THE INCOME TAX APPELLATE TRIBUNAL
'A' BENCH: CHENNAI

श्री यस यस विश्वनेत्र रवि, न्यायिक सदस्य एवं श्री जगदीश, लेखक सदस्य के समक्ष
BEFORE SHRI SS VISWANETHRA RAVI, JUDICIAL MEMBER AND
SHRI JAGADISH, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.1579/Chny/2024
निर्धारण वर्ष /Assessment Year: 2017-18

Mrs. Indira,
II, Trichy Road,
Rukmani Nagar,
Coimbatore – 641 045.
[PAN: AAFPI 9404F]

The Income Tax Officer,
Vs. Non Corporate Ward-1(5),
Coimbatore.

(अपीलार्थी/**Appellant**)

(प्रत्यर्थी/**Respondent**)

अपीलार्थी की ओर से/ Appellant by
प्रत्यर्थी की ओर से /Respondent by

: Ms. T. Sandyaarthi, Advocate
: Shri K. Rohan Raj, Addl. CIT

सुनवाई की तारीख/Date of Hearing

: 04.12.2024

घोषणा की तारीख /Date of Pronouncement

: 26.02.2025

आदेश / ORDER

PER JAGADISH, A.M :

Aforesaid appeal filed by the assessee for Assessment Year (AY) 2017-18 arises out of the order of Learned Commissioner of Income Tax, National Faceless Appeal Centre (NFAC), Delhi [hereinafter "CIT(A)"] dated 23.12.2022 in the matter of assessment framed by Ld. Assessing Officer [AO] u/s. 143(3) of the Income-tax Act, 1961 (hereinafter "the Act") on 04.12.2019.

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2. There is a delay of 458 days in filing the appeal by the assessee. The assessee has filed condonation petition stating the reasons for delay in filing the appeal. We have considered the petition of delay in filing the appeal and satisfied that there was sufficient cause for not filing the appeal within the prescribed time limit. Hence, the delay is hereby condoned.

3. The only effective ground of appeal in this appeal of assessee is against addition of cash deposit of Rs. 21,89,000/- during demonetization period.

4. The brief facts of the case are that the assessee is a senior citizen and filed her return of income by showing total income of Rs. 6,15,664/- from interest income and other sources. The assessee had deposited cash of Rs. 21,89,000/- in saving bank account during demonetization period. The assessee has explained the source of cash deposit as withdrawal of Rs. 12,17,000/- on 31.07.2015, Rs. 5,00,000/- on 01.06.2017 and savings of Rs. 2,72,000/-. However, the A.O did not accept the assessee's explanation that cash withdrawal was made for the purpose of purchasing house property for her son, who is residing in USA and the money deposited was out of above money. Aggrieved, the assessee preferred an appeal before Ld. CIT(A). On appeal, the Ld. CIT(A) has also not accepted the

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explanation for the reason that withdrawal from the bank account of Rs. 12,17,000/- was made on 31.07.2015 and the cash was deposited after 17 to 18 months during the demonization period. Similarly, the Ld. CIT(A) did not accept the cash withdrawal of Rs. 5,00,000/- for the reason that withdrawal was made through cheque issued in the name of Mr. Selvaraj.

5. The Ld. Authorized Representative (A.R) of the assessee before us has submitted that the assessee is an elderly lady and the cash withdrawals were for the purpose of purchasing a house in the name of her son, who is residing in USA. As the house could not be purchased, the cash lying was deposited in the bank account during demonetization period. As regards to withdrawal of Rs.5,00,000/-, the Ld. AR has explained that Mr. Selvaraj is the assessee's husband and that this cash was also withdrawn for the purpose of purchasing a house through him. The Ld. AR has further explained that the assessee has cash in hand of Rs. 2,72,000/- from old savings which was deposited during demonetization period.

6. The Ld. Departmental Representative (DR), on the other hand, has relied on the orders of lower authorities.

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7. We have heard the rival submissions, and perused the materials available on record. The assessee has explained the source of cash deposit during demonetization from withdrawal of Rs.12,17,000/- made on 13.01.2015 and Rs.5,00,000/- on 16.10.2015 from City Union Bank and lying with her as assessee could not purchase the house for which money was withdrawn. The AO has not brought out any material to suggest that cash withdrawn has been used up somewhere. Therefore we do not find any reason to doubt assessee's explanation in respect of cash deposit to the extent of Rs. 17,70,000/-. As regard to assessee's explanation that the assessee has savings of Rs.2,72,000/-, the assessee has not submitted any evidence. Therefore, the same cannot be accepted. In light of the above, the addition to the extent of Rs. 17,70,000/- is deleted and the balance addition of Rs 4,19,000 is confirmed. Thus, the appeal filed by the assessee is partly allowed.

8. In the result, the appeal filed by the assessee is partly allowed.

Order pronounced on 26th February, 2025.

Sd/-
(यस यस विश्वनेत्र रवि)
(SS Viswanethra Ravi)
न्यायिक सदस्य / Judicial Member

Sd/-
(जगदीश)
(Jagadish)
लेखा सदस्य / Accountant Member

चेन्नई/Chennai, दिनांक/Dated: 26th February, 2025.

EDN/-

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आदेश की प्रतिलिपि अग्रेषित/**Copy to:**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT, Coimbatore
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF