

IN THE INCOME TAX APPELLATE TRIBUNAL
NAGPUR BENCH, NAGPUR

BEFORE SHRI V. DURGA RAO, JUDICIAL MEMBER AND
SHRI K.M. ROY, ACCOUNTANT, MEMBER

ITA no.309/Nag./2024
(Assessment Year : 2017-18)

Shripad Govind Risaldar
Walker Road, Mahal, Nagpur 440 032
PAN – ABYPR2422A

..... Appellant

v/s

Income Tax Officer
Ward-5(2), Nagpur

..... Respondent

Assessee by : None
Revenue by : Shri Abhay Y. Marathe

Date of Hearing – 10/02/2025

Date of Order – 04/03/2025

ORDER

PER V. DURGA RAO, J.M.

The aforesaid appeal by the assessee is against the impugned order dated 13/03/2024, passed by the learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, [*learned CIT(A)*], for the assessment year 2017-18.

2. Following grounds have been raised by the assessee:-

"The learned Addl/ JCIT (A) erred in upholding the addition of Rs. 2 Lacs made by the AO on account of Cash Deposited in Canara Bank by the appellant.

The AO as well as Addl JCIT (A) failed to appreciate the fact that amount of Rs.2Lacs is deposited from the accumulated savings of the old aged appellant, the AO added the amount to the income of the appellant which is upheld by Addl/JCIT (A) without asking for capital account & statement of affairs from the appellant, which should be deleted."

3. The assessee, for the year under consideration, filed his return of income on 19/09/2017, declaring income at ₹ 1,91,940, comprising of income from salary from Partnership Firm, rental income and income from other sources. The case of the assessee was selected for scrutiny under CASS for verification of cash deposits during the demonetization period. The Assessing Officer raised query regarding source of cash deposit in six different accounts held with Canara Bank, Bank of Baroda and Nagpur Nagrik Sahakari Bank (NNSB Ltd.). The assessee submitted his reply from time to time. The Assessing Officer has accepted the partial response and has accepted source of cash deposit in 4 accounts out of 6. The Assessing Officer has made addition of ₹ 2 lakh deposited in Canara Bank and ₹ 5.05 lakh deposited in Nagpur Nagrik Sahakari Bank. Consequent upon the assessment order so passed by the Assessing Officer, the assessee being aggrieved preferred appeal before first appellate authority.

4. The learned CIT(A), however, upheld the addition of ₹ 2 lakh despite the assessee's submission stating that ₹ 2 lakh deposited in Canara Bank was out of accumulated family savings. Still aggrieved, the assessee is in further appeal before the Tribunal agitating the addition of ₹ 2 lakh deposit.

5. None appeared on behalf of the assessee.

6. Before us, the learned Departmental Representative, Shri Abhay Y. Marathe, forcefully submitted that the Assessing Officer noticed that the cash amount of ₹ 2 lakh deposited in the saving bank account of the assessee with Canara Bank, remained unexplained. The learned Departmental Representa-

tive also pointed out that the assessee offered explanation that the source of cash was agriculture income which was accumulated during the preceding years and was rightly rejected by the Assessing Officer for the reason that the explanation was not acceptable. The learned Departmental Representative further submitted that when it is a fact that the huge cash has been deposited in the bank account of the assessee, then, the onus lies on the assessee to bring on record the cogent evidence as to the source of cash deposit.

7. We have heard the rival arguments, perused the material available on record and gone through the orders of the authorities below. Admittedly there was cash deposit of ₹ 2 lakh to the saving bank account of the assessee maintained by him in Canara Bank. The Assessing Officer has held that the assessee failed to adduce cogent evidence to prove the source of cash deposit. We find that the Assessing Officer has not disputed the fact that the assessee holds agriculture land and the assessee received agriculture income earned therefrom during the preceding years. It is pertinent to note that the assessee is old aged agriculturist earned money during past years which were accumulated in cash appears to be a possible proposition. Moreover, we note that the learned CIT(A) has already deleted the addition of ₹ 5.05 lakh cash deposited by the assessee in Nagpur Nagrik Sahakari Bank. Keeping in view the assessee being an agriculturist and is an old aged person and the addition being a small amount, therefore, we direct the Assessing Officer to delete the addition of ₹ 2 lakh on account of cash deposit maintained by the assessee in Canara Bank. Accordingly, we set aside the impugned order passed by the learned CIT(A) by allowing all the grounds raised by the assessee.

8. In the result, assessee's appeal stands allowed.

Order pronounced in the open Court on 04/03/2025

Sd/-
K.M. ROY
ACCOUNTANT MEMBER

Sd/-
V. DURGA RAO
JUDICIAL MEMBER

NAGPUR, DATED: 04/03/2025

Copy of the order forwarded to:

- (1) *The Assessee;*
- (2) *The Revenue;*
- (3) *The PCIT / CIT (Judicial);*
- (4) *The DR, ITAT, Nagpur; and*
- (5) *Guard file.*

Pradeep J. Chowdhury
Sr. Private Secretary

True Copy
By Order

Sr. Private Secretary
ITAT, Nagpur