

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

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

आयकरअपीलसं./ ITA No.19/Agr/2023
(निर्धारणवर्ष / Assessment Year: 2017-18)

Shri Pradeep Kumar Kohli 14/69 Hospital Road, Agra	बनाम/ Vs.	ACIT-Circle-2(1)(1), Agra
स्थायीलेखासं./जीआइआरसं./PAN/GIR No. ADPK-9860-R		
(अपीलार्थी/Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थीकीओरसे/ Appellant by	:	Shri Anurag Sinha, Adv.– Ld. AR
प्रत्यर्थीकीओरसे/Respondent by	:	Shri Shailendra Shrivastava – Ld. Sr. DR

सुनवाईकीतारीख/Date of Hearing	:	10-02-2025
घोषणाकीतारीख /Date of Pronouncement	:	28-03-2025

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 an order of learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi [CIT(A)] dated 05-12-2022 in the matter of an assessment framed by Ld. Assessing Officer [AO] u/s. 143(3) of the Act on 29-12-2019. The sole grievance of the assessee is confirmation of addition of cash deposit for Rs.49.87 Lacs. Having heard vehement arguments of both the sides, the appeal is disposed-off as under.
2. The assessee is stated to be engaged in trading of jewellery. The assessee made cash sales of Rs.73.50 Lacs during October, 2016 and cash sales of Rs.11.06 Lacs during 01-11-2016 to 08-11-2016. The

same was utilized to make deposits in its bank accounts. The Ld. AO alleged that the assessee artificially inflated the cash-in-hand. The sales during this period were abnormal in comparison to earlier years. The sales in October, 2016 could be twice that of cash sale of September, 2016. Accordingly, alleged excess cash sales of Rs.49.87 Lacs were added to the income of the assessee.

3. During appellate proceedings, the assessee stated that it maintained proper books of accounts and the books were duly audited. The deposits were made out of cash balance as available in the cash book. The assessee filed VAT returns reflecting sales made by it during October, 2016. However, Ld. AO, going by statistical trends, upheld the impugned addition against which the assessee is in further appeal before us.

4. It is quite clear from the facts that the assessee has maintained proper books of accounts and the books were duly audited. The deposits were made out of cash balance as available in the cash book. The assessee filed VAT returns reflecting sales made by it during October, 2016. The books have not been rejected and no single defect has been pointed out in the same. The impugned addition is based on mere statistical inferences. Considering the facts of the case and to plug any possible leakage of revenue, we would hold that lump sum addition of Rs.5 Lacs would meet the end of justice. The same would be assessable as normal business income only. We order so. The Ld. AO is directed to re-compute the income of the assessee.

5. The appeal stand partly allowed.

*Order pronounced u/r 34(4) of Income Tax (Appellate Tribunal) Rules,
1963.*

Sd/-

(SATBEER SINGH GODARA)
न्यायिक सदस्य /JUDICIAL MEMBER

Sd/-

(MANOJ KUMAR AGGARWAL)
लेखा सदस्य /ACCOUNTANT MEMBER

Dated: 28-03-2025

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

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF

ASSISTANT REGISTRAR

ITAT AGRA