

IN THE INCOME TAX APPELLATE TRIBUNAL  
JODHPUR BENCH, JODHPUR

BEFORE DR. MITHA LAL MEENA, ACCOUNTANT MEMBER AND  
SHRI ANIKESH BANERJEE, JUDICIAL MEMBER

ITA No.604/JODH/2024  
(Assessment Year : 2017-18)

Sumitra Devi Agarwal 609, Bhavani chambers, New Sanjevani Hospital, Kedarmal Road, Malad (East), Mumbai- 400 097 PAN : AENPA5934L	vs	Addl / JCIT (A)-9 / ITO Wd.1, CHITTOR Chittorgarh, Rajasthan Fort Road, Chittorgarh-312 001, Rajasthan
APPELLANT		RESPONDENT

Assessee by : Ms. Divya Phophalia, C.A.  
Respondent by : Shri Karni Dhan, Addl.CIT (Sr.D.R.)  
Date of hearing : 27/05/2025  
Date of pronouncement : 29/05/2025

**ORDER**

**Per Bench:**

The instant appeal of the assessee was filed against the order of the Learned Commissioner of Income-tax / Addl.JCIT(A)-9, Mumbai [in short, 'Ld.CIT(A)] passed under section 250 of the Income Tax Act, 1961 (in short, 'the Act') for Assessment Year 2017-18, date of order 31/05/2024. The impugned order was originated from the order of the Learned Income-tax Officer, Ward-1, Chittor, passed under section13(3) of the Act, date of order 05/12/2019.

2. The brief facts of the case are that the assessee has deposited cash of Rs.11,62,000/- in her bank account during the demonetization period. The Ld.AO added back Rs.10,31,262/- with the total income of the assessee under section 69A read with section 115BB of the Act. The assessee explained that the said amount was generated in earlier years and so, the assessee deposited the cash so generated in her bank account during the demonetization period. The Ld.AO however, did not agree with the contention of the assessee and added Rs.10,31,262/- to her total income. The aggrieved assessee filed appeal before Ld.CIT(A). The Ld.CIT(A) passed a speaking order and dismissed the appeal of the assessee. Being aggrieved, assessee filed an appeal before us.

3. The Ld.AR argued and filed a written submission containing pages 1 to 64 which is placed on record. The Ld.AR placed that the assessee is an old lady aged about 82 years and during the assessment proceedings and before the Bench the assessee submitted all the relevant documents including the cash flow / fund flow statement, cash book, ledger to substantiate that the assessee has no sufficient cash to deposit during the demonetization period. The documents are enclosed in APB pages 16 to 19. On perusal of the cash flow statement in APB, page 17, it is seen that the assessee has cash balance on 01/11/2016 amount to Rs.10,79,484/-. None of the documents was rejected by the Ld.AO during the assessment proceedings. The relevant documents are duly filed, which are as follows:-

S.No.	Particulars	Annexure
1	Copy of ITR, computation of income for AY 2014-14 to AY 2017-18	1 to 15
2	Copy of cash book / ledger during the year i.e. AY 2017-18	16 to 18
3	Copy of cash flow / fund flow statement for past year alongwith current year	19
4	Copy of bank book / ledger during the year ie. AY 2017-18	20 to 21

5	Copy of bank account statement from 01/04/2013 to 31/03/2017 ie. Last 4 years	22 to 29
6	Copy of Hon'ble CIT Appeal Order	30 to 40
7	Copy of Ld.AO Assessment order	41 to 44

4. The Ld.DR fully relied on the order of the revenue authorities.

5. We heard the rival submission and perused the material on record. It is argued that the assessee is an old lady and retained the cash in hand for any emergency due to her old age. The assessee filed the returns regularly and of the ITRs and computations are duly annexed in APB pages 1 to 16 . We find that the assessee has sufficient cash balance as on 01/11/2016 which is already reflected in the cash flow statement. Further, the Ld.AR relied on the order of the co-ordinate bench of the Tribunal, Jodhpur Bench in the case of Ayodhya Jajra vs CIT **ITA No.43/JODH/2022, date or order 08/04/2024** and the same fact is part of this order, where the Bench deleted the addition made of cash deposited during the demonetization period. In that case, the assessee was 77 years' old individual, who has deposited around Rs.11 lakhs in old notes in SBN. The ITAT stated that her cash book and record showed that she had cash balance of Rs.9,50,597/- out of earlier savings. Given the advanced old age of the assessee and the demonstrated habit of preserving savings, the ITAT held that holding cash to that extent would not be doubted. Accordingly, the addition was deleted. We follow the order of the co-ordinate bench of ITAT and we find that there is no reason for addition in the hands of the assessee and accordingly, the impugned addition is deleted.

6. In the result, the appeal filed by the assessee bearing **ITA No.304/JODH/2024** is allowed.

Order pronounced in the open court on 29<sup>th</sup> day of May, 2025.

Sd/-

sd/-

(DR. MITHA LAL MEENA)  
ACCOUNTANT MEMBER  
Jodhpur, दिनांक/Dated: 29/05/2025  
Pavanan

(ANIKESH BANERJEE)  
JUDICIAL MEMBER

**Copy of the Order forwarded to:**

1. अपीलार्थी/The Appellant ,
2. प्रतिवादी/ The Respondent.
3. आयकर आयुक्त CIT
4. विभागीय प्रतिनिधि, आय.अपी.अधि., जोधपुर/DR, ITAT,  
JODHPUR
5. गार्ड फाइल/Guard file.

//True Copy//

BY ORDER,

(Asstt. Registrar), ITAT, JODHPUR