

IN THE INCOME TAX APPELLATE TRIBUNAL
“B” BENCH, CHANDIGARH

PHYSICAL HEARING

BEFORE HON'BLE SHRI LALIET KUMAR, JM
AND
HON'BLE SHRI MANOJ KUMAR AGGARWAL, AM

आयकरअपीलसं./ ITA No.280/CHANDI/2023
(निर्धारणवर्ष / Assessment Year: 2011-12)

Shri Ramesh Chand 1600/A Prahladpuri Yamunanagar-135001.	बनाम/ Vs.	ITO Sector 17 HUDA Jagadhri-135003
स्थायीलेखासं./जीआइआरसं./PAN/GIR No. ADQPC-3573-P		
(अपीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थीकीओरसे/ Appellant by	:	None
प्रत्यर्थीकीओरसे/Respondent by	:	Dr Ranjit Kaur (Addl. CIT) – Ld. Sr. DR

सुनवाईकीतारीख/Date of Hearing	:	04-06-2025
घोषणाकीतारीख /Date of Pronouncement	:	09-06-2025

आदेश / O R D E R

Manoj Kumar Aggarwal (Accountant Member)

1. Aforesaid appeal by assessee for Assessment Year (AY) 2011-12 arises out of an order of learned Commissioner of Income Tax (Appeals), National Faceless Appeal Central (NFAC), Delhi [CIT(A)] dated 06-03-2023 in the matter of an assessment framed by Ld. Assessing Officer [AO] u/s. 144 r.w.s.143(3) / 147 of the Act on 17-12-2018. The assessee failed to make any representation during assessment proceedings and accordingly, Ld. AO assessed income on

best judgment basis at Rs.15.92 Lacs. The assessee declared income of Rs.1.56 Lacs. The assessee deposited cash of Rs.13.87 Lacs in his bank accounts which was held to be from unexplained sources. The assessee earned bank interest of Rs.0.41 Lacs which was also added to the income of the assessee. Though the assessee contested the assessment in first appeal, Ld. CIT(A) dismissed the appeal of the assessee against which the assessee is in further appeal before us.

2. Form the records, it emerges that the assessee has retired from service on 31-05-2010 at the age of 58 years. The assessee has received cash in lieu of unutilized earned leave at the time of retirement which was deposited in his bank account. The requisite document, in this regard, has been placed on record. The assessee has also placed on record cash flow statement of Oriental Bank of Commerce which would show that the impugned deposits have been sourced out of earlier withdrawals. Similarly, the deposits in SBI are backed by earlier withdrawals. The cash withdrawals from SBI are for Rs.5.17 Lacs whereas deposits are for Rs.2 Lacs only. Similarly, withdrawals from OBC are Rs.15.73 Lacs as against deposit of Rs.11.87 Lacs. Further, the assessee has earned bank interest of Rs.6,615/- as against Rs.41,469/- as considered by Ld. AO. The same is evident from the certificate of the bank as placed on record. On these facts, both the additions as made by Ld. AO are unsustainable on facts. Accordingly, we direct Ld. AO to accept the returned income of the assessee.

3. The appeal stand allowed.

Order pronounced on 09-06-2025.

Sd/-
(LALIET KUMAR)
JUDICIAL MEMBER

Sd/-
(MANOJ KUMAR AGGARWAL)
ACCOUNTANT MEMBER

Dated: 09-06-2025.

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 CHANDIGARH