

**IN THE INCOME TAX APPELLATE TRIBUNAL
JABALPUR BENCH "SMC", JABALPUR**

BEFORE SHRI ANADEE NATH MISSHRA, ACCOUNTANT MEMBER

I.T.A. No.126/JAB/2024
Assessment year:2017-18

Mohammad Yusuf Khan Q.No.139/A, Viddyapuram Colony, Makroniya, SAGAR. PAN:BPXPK3027A (Appellant)	Vs.	Income Tax Officer, Ward-2, Sagar (Respondent)
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Appellant by	Shri Dhiraj Gahi, C.A.
Respondent by	Shri N. M. Prasad, Sr. D.R. 1

ORDER

(A) This appeal vide I.T.A. No.126/JBP/2024 has been filed by the assessee for assessment year 2017-18 against impugned appellate order dated 13/12/2023 (DIN & Order No.ITBA/APL/S/250/2023-24/1058708949(1) of Commissioner of Income Tax (Appeals) ["CIT(A)" for short].

(B) In this case assessment order dated 26/09/2019 was passed u/s 144 of the Act whereby the assessee's income was assessed at Rs.6,00,000/-. The aforesaid amount of Rs.6,00,000/- was assessed as assessee's income u/s 69A of the Act, treating assessee's cash deposit in bank as unexplained. The aforesaid assessment order was passed ex-parte qua the assessee. The assessee's appeal was dismissed by the learned Addl/Jt. CIT(A) vide aforesaid impugned appellate order dated 13/12/2023 and addition of Rs.6,00,000/- was confirmed. The present appeal has been filed by the

assessee against aforesaid appellate order. During the course of appellate proceedings in Tribunal, a paper book containing the following particulars was filed from the assessee's side:

1. Copy of appointment certificate cum identity card issued in MP Police
2. Copy of order of police company deployment received by election duty

(C) At the time of hearing, the learned A.R. for the assessee submitted that the assessee serves in police. He further submitted that because of his nature of work, he has to often remain away from home for prolonged periods. He further submitted that the assessee is also required, because of nature of his work, to be out of station frequently, sometimes for many days. Because of these facts, the assessee is required to keep some reasonable amount of cash at home to meet emergency expenses if and when the occasion arises; as well as for expenses towards medical purposes, education of children, social occasions and other day to day household expenses. He also submitted that the assessee is married, with three children and at important social occasions, such as festivals, birthday, anniversary etc., the family members get cash gifts from relatives, friends and acquaintances. He further submitted that his wife used to regularly save some amount of cash out of funds provided for expenses; and kept it separately as her personal savings. In view of the foregoing, he submitted that the aforesaid amount of Rs.6,00,000/- being cash deposit in bank should be treated as explained. Learned D.R. relied on the impugned order of learned Addl./JCIT(A) and on the assessment order.

(D) Both sides have been heard. Materials on record have been perused. It is found that out of the total deposit of Rs.10,04,500/- made by the assessee in bank, the Assessing Officer treated part of it as explained and a

lump sum amount of Rs.6,00,000/- was treated as explained on ad hoc basis. Thus, the aforesaid addition of Rs.6,00,000/- is based on conjecture, guess work, doubt and suspicion and not on the basis of any material evidence on record. Further, the assessee is a serving Government servant and because of nature of his work, he has to remain away from family for extended periods and it is quite understandable that some reasonable amount of cash is kept at home to meet regular expenses as well as emergency expenses. Further, the submission that the assessee's wife regularly saved money in cash, out of funds provided for various expenses, is having regard to this well known practice on the part of ladies in the households of Indian society. In view of the foregoing, and having due regard for submissions made on behalf of the assessee [referred to in foregoing paragraph (C) of this order] the explanation tendered regarding the aforesaid amount of Rs.6,00,000/-; which is not an excessively or unreasonably high amount; is acceptable in the specific facts and circumstances of the present case. Accordingly, the explanation by learned A.R. for the assessee regarding the aforesaid amount of Rs.6,00,000/- is hereby accepted; and the Assessing Officer is directed to delete the aforesaid addition of Rs.6,00,000/-.

(E) In the result, the appeal of the assessee stands allowed.

(Order pronounced in the open court on 21/08/2025)

Sd/.
(ANADEE NATH MISSHRA)
Accountant Member

Dated:21/08/2025
*Singh

Copy of the order forwarded to :

1. The Appellant
2. The Respondent.
3. Concerned CIT
4. D.R., I.T.A.T., Jabalpur