

आयकर अपीलिय अधिकरण, 'बी' (एस एम सी), न्यायपीठ, चेन्नई
**IN THE INCOME TAX APPELLATE TRIBUNAL
'B' (SMC) BENCH, CHENNAI**

श्री जॉर्ज जॉर्ज, उपाध्यक्ष के समक्ष
BEFORE SHRI GEORGE GEORGE K, VICE PRESIDENT

आयकर अपील सं./ITA No.: 1703/CHNY/2025

निर्धारण वर्ष/Assessment Year: 2011-12

Smt. Chandran Vijaya,
6/15, Kudistreet,
Vettambadi,
Namakkal – 637 405.

The Income Tax Officer,
Vs. Ward 1(3),
Salem.

PAN: AIKPV 8908Q

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Shri T.S. Lakshmi Venkataraman,
Advocate
प्रत्यर्थी की ओर से/Respondent by : Shri Y. Sudarshan, JCIT
सुनवाई की तारीख/Date of Hearing : 09.09.2025
घोषणा की तारीख/Date of Pronouncement : 11.09.2025

आदेश/ ORDER

This appeal filed by the assessee is directed against the order of Addl/JCIT(A)-1, Vadodara dated 19.05.2025 passed under section 250 of the Income Tax Act, 1961 (hereinafter called 'the Act'). The relevant Assessment Year is 2011-12.

2. The solitary issue raised is whether the First Appellate Authority (FAA) is justified in confirming the addition of Rs.12,55,000/- made by the AO u/s.69A of the Act.

3. Brief facts of the case are as follows:

The AO in the assessment order dated 23.12.2019 passed u/s.144 r.w.s. 147 of the Act made addition of Rs.12,55,000/- u/s.69A of the Act. The relevant finding of the AO for making the addition of Rs.12,55,000/- reads as under:

6. During the course of assessment proceedings, the bank account pertaining to you had been identified and a letter has been addressed to the concerned banks under Section 133(6) of the Income Tax Act, 1961 and the same were obtained. On perusal of the bank statement, it is found that assessee had deposited the cash of Rs.17,50,000/- various days in account maintained with Bank of India. The husband of the assessee Shri. R.Chandran has visited to office and submitted the details of the sale of the agriculture land. The sale value of the agriculture land was Rs.4,90,000/-. Hence same is allowed. On analysis of the bank account, no specific pattern found. Taking into account all the factors, the assessee's total income for the A.Y.2011-12 is to be determined as following paras.

7. In the bank account, there is total cash deposit of Rs.17,50,000/-. As discussed in para-6, the sale proceeds of Rs.4,90,000/- is allowed as the source for the cash deposits but assessee has failed to file the return and submit the explanation of the rest of the cash deposits of Rs.12,55,000/-. Hence the cash deposits of Rs.12,55,000/- in the bank account is treated as 'Unexplained Credit within the meaning as per the Income Tax Act, 1961 and the same is brought to tax u/s.69A of the Income Tax Act, 1961 for A.Y. 2011-12, under the head income from other sources.

(Addition:- Rs.12,55,000/-)

3. Aggrieved by the assessment completed, assessee filed appeal before the FAA. The FAA dismissed the appeal of the assessee.

4. Aggrieved by the order of the FAA, the assessee has filed the present appeal before the Tribunal. The only contention of the Ld.AR is that the peak credit of Rs.12,00,000/- in the bank account as on 11.05.2010 can only be considered and therefrom due credit ought to be given for the sale receipt of agricultural land and past savings. The copy of statement of bank account is placed on record. The Ld.AR candidly admitted that the cash deposits made in the month of May 2010 is on-money received on sale of agricultural land. It was submitted that reasonable set-off may also be given for the prior saving of the assessee taking into account the agricultural land holding of the assessee and also the fact that assessee is engaged in the business of multilevel marketing.

5. The Ld.DR supported the orders of the AO and the FAA.

6. I have heard rival submissions and perused the material on record. The solitary issue involved is regarding the addition made u/.69A of the Act amounting to Rs.12,55,000/- being deposits made in the book of account, which was sustained by

the FAA. The total cash deposits for the relevant assessment year are detailed below:-

<i>Date</i>	<i>Amount</i>
<i>11.05.2010</i>	<i>7,00,000</i>
<i>11.05.2010</i>	<i>5,00,000</i>
<i>27.07.2010</i>	<i>1,00,000</i>
<i>19.10.2010</i>	<i>10,000</i>
<i>08.11.2010</i>	<i>1,50,000</i>
<i>09.11.2010</i>	<i>65,000</i>
<i>16.11.2020</i>	<i>2,00,000</i>
	<i>17,25,0000</i>

7. The total cash deposit of Rs.17,25,000/- is taken at the figure of Rs.17,50,000/- by the AO and after giving set-off of Rs.4,90,0000/- being the sale receipts of agricultural land, a sum of Rs.12,55,0000/- was added u/s.69A of the Act. The agricultural land has been sold on 26.04.2010 for which guideline value is Rs.14,81,500/-.

8. On perusal of the bank statement that is placed on record, I find the peak credit in the bank account is Rs.12,00,000/- as on 11.05.2010. I'm of the view that only the peak credit should be brought to tax after setting off the sale consideration received by the assessee amounting to Rs.4,90,000/- for the sale of agricultural land. Out of the balance sum of Rs.7,10,000/-, further sum of Rs.2,10,000/- is to be given credit for past

savings considering agricultural holding of assessee and also for the fact that assessee is into the business of multi-level marketing. Therefore, the balance sum of Rs.5,00000/- is sustained and added u/s.69A of the Act instead of addition of Rs.12,55,000/- made by the AO and confirmed by the FAA. It is ordered accordingly.

9. In the result, the appeal filed by the assessee is partly-allowed.

Order pronounced in the open court on 11th September, 2025 at Chennai.

Sd/-

(जॉर्ज जॉर्ज के)

(GEORGE GEORGE K)

उपाध्यक्ष /VICE PRESIDENT

चेन्नई/Chennai,

दिनांक/Dated, the 11th September, 2025

RSR

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त /CIT, Salem
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF.