

**IN THE INCOME TAX APPELLATE TRIBUNAL,
KOLKATA-RANCHI 'e-COURT' (DB), KOLKATA
[Hybrid Court Hearing]**

**Before Shri Sonjoy Sarma, Judicial Member
&
Shri Ratnesh Nandan Sahay, Accountant Member**

**I.T.A. No. 437/RAN/2024
Assessment Year: 2017-2018**

***Mohan Riti,.....Appellant
250-A1, Van Vihar,
Cheshire Home Road, Bariatu,
Ranchi-834009, Jharkhand
[PAN:ACGPR3958L]***

-Vs.-

***Income Tax Officer,.....Respondent
Ward-2(4), Ranchi,
Present Jurisdiction: Ward-2(1), Ranchi,
Office of the Income Tax Officer,
Ward-2(4), Central Revenue Annexe Building,
5A, Main Road, Ranchi-834001, Jharkhand***

Appearances by:

*Shri M.K. Choudhury, A.R., appeared on behalf of the
assessee*

*Shri Sumit Dasgupta, Sr. D.R., appeared on behalf of the
Revenue*

**Date of concluding the hearing: December 10, 2025
Date of pronouncing the order: December 17, 2025**

O R D E R

Per Sonjoy Sarma, Judicial Member:-

The present appeal is directed at the instance of assessee against the order of Id. Commissioner of Income Tax (Appeals),

National Faceless Appeal Centre (NFAC), Delhi dated 06.03.2024 passed for Assessment Year 2017-2018.

2. Brief facts of the case are that the assessee is an individual. For the assessment year 2017-18, the assessee did not file her return of income. On the basis of information received regarding huge credits in the bank accounts of the assessee, the ld. Assessing Officer verified the same and found that during F.Y. 2016-17 an amount of Rs.2,67,690/- and Rs.62,44,030/- was deposited in the HDFC Bank, Ranchi. Since the assessee had not filed the return of income, notice under section 142(1) was issued, both through ITBA and by speed post, directing the assessee to file the return. However, the assessee did not comply. The ld. Assessing Officer, therefore, requisitioned the bank statements of HDFC Bank, Smt. Riti Mohan and M/s Classic Healthcare. On examination of the statements, total credits of Rs.65,11,720/- were noticed. As there was no explanation from the assessee, the ld. Assessing Officer invoked section 69A and treated Rs.65,11,720/- as unexplained money. Accordingly, the assessment was completed under section 144 of the Act.

3. Aggrieved by the above order, the assessee preferred an appeal before the Ld. CIT(Appeals) where the appeal of the assessee was partly allowed by applying section 44AD of the Act and estimated income at 8% of the such deposits in the current account. While doing so, the Id. CIT (Appeals) did not grant relief in respect of the deposit of Rs.2,50,000/- in the assessee's Savings Bank Account and added the same separately. Although before the

ld. CIT(Appeals), the assessee submitted that she is an old lady running a small medical shop and that the amount of Rs.2,50,000/- deposited in the Savings Account represented her own accumulated savings from past withdrawals, kept aside for immediate family and medical emergencies. During the demonetization (Demonetized Currency) period, she was compelled to redeposit the cash in accordance with RBI guidelines. It was, therefore, argued that the deposit was out of her own past savings, already subjected to tax, and no addition could be made under section 69A of the Act. The ld. CIT(Appeals), however, upheld the addition without properly considering the explanation.

4. Dissatisfied with the above order, the assessee is in appeal before this Tribunal. At the time of hearing, Ld. Authorized Representative for the assessee submitted that assessee is an old lady running a small medical shop and that the amount of Rs.2,50,000 deposited in the Savings Account represented her own accumulated savings from past withdrawals, kept aside for immediate family and medical emergencies. During the demonetization (Demonetized Currency) period, she was compelled to redeposit the cash in accordance with RBI guidelines. It was, therefore, argued that the deposit was out of her own past savings, already subjected to tax, and no addition could be made under section 69A of the Act.

5. On the other hand, the Ld. Departmental Representative could not controvert the fact but he supported the order of the ld. CIT(Appeals).

6. We have heard the rival submissions and perused the material available on record. The assessee is an elderly woman running a medical shop. The Id. CIT(Appeals) himself has applied presumptive taxation under section 44AD of the Act on the current account deposits and computed net income at Rs.4,87,522. The Savings Bank deposit of Rs.2,50,000/- stands on a different footing. The assessee has consistently explained that the said amount was out of her past accumulated savings, withdrawn earlier for family and medical emergencies, and re deposited during the demonetization period as mandated by RBI. This explanation has not been disproved by the revenue. It is also evident that the assessee is regularly withdrawing funds for household and medical needs, and re depositing during demonetization cannot, by itself, render such savings as unexplained. In these circumstances, we hold that the deposit of Rs.2,50,000/- in the Savings Bank Account represents the assessee's own past savings and cannot be brought to tax under section 69A of the Act. The Id. CIT(Appeals) was not justified in sustaining the addition. Accordingly, we direct the Id. Assessing Officer to delete the addition of Rs.2,50,000/- as made in the case of the assessee.

7. In the result, the ground of appeal of the assessee is allowed.

Order pronounced in the open Court on 17/12/2025.

Sd/-

(Ratnesh Nandan Sahay)
Accountant Member

Sd/-

(Sonjoy Sarma)
Judicial Member

Kolkata, the 17th day of December, 2025

- Copies to :*(1) *Mohan Riti,*
250-A1, Van Vihar,
Cheshire Home Road, Bariatu,
Ranchi-834009, Jharkhand
- (2) *Income Tax Officer,*
Ward-2(4), Ranchi,
Present Jurisdiction: Ward-2(1), Ranchi,
Office of the Income Tax Officer,
Ward-2(4), Central Revenue Annexe Building,
5A, Main Road, Ranchi-834001, Jharkhand
- (3) *CIT(A), NFAC, Delhi;*
(4) *CIT - , Kolkata;*
(5) *The Departmental Representative;*
(6) *Guard File*

TRUE COPY

By order

Assistant Registrar,
Income Tax Appellate Tribunal,
Kolkata Benches, Kolkata

Rajib/ Sr. P.S.