

**INCOME TAX APPELLATE TRIBUNAL
AGRA BENCH "SMC": AGRA
BEFORE SHRI M. BALAGANESH, ACCOUNTANT MEMBER**

**ITA No. 531/AGR/2025
(Assessment Year: 2020-21)**

Rajeev Gupta, Mohalla Jai Jai Ram, Gali Nalwali, Kasganj, Agra	Vs.	DCIT, Central Circle, Agra
(Appellant)		(Respondent)
PAN: AHFPG8331C		

Assessee by :	Shri Deependra Mohan, CA
Revenue by:	Shri Anil Kumar, Sr. DR
Date of Hearing	21/01/2026
Date of pronouncement	03/02/2026

ORDER

1. The appeal in ITA No. 128/AGR/2025 for AY 2015-16, arises out of the order of the ADD/JCIT(A), Gurugram [hereinafter referred to as 'Id. JCIT(A)', in short] dated 28.01.2025 against the order of assessment passed u/s 143(3) of the Income-tax Act, 1961 (hereinafter referred to as 'the Act') dated 29.12.2017 by the Assessing Officer, ITO, Ward-1(1)(3), Agra (hereinafter referred to as 'Id. AO').

2. The only effective issue to be decided in this appeal is as to whether the Id CIT(A) was justified in confirming the addition made in the sum of Rs 5,50,000 under section 69A of the Act in the facts and circumstances of the instant case.

3. I have heard the rival submissions and perused the materials available on record. On 30-3-2019, cash amounting to Rs. 10 lakhs was

seized from the possession of the assessee by the police authorities, Etah. Thereafter, statement of the assessee was recorded wherein he was asked to prove the source of cash. He could not furnish the same satisfactorily and accordingly the cash was requisitioned by the Income Tax Department. Consequently, the jurisdiction of the case was assigned to DCIT Central Circle, Agra vide order passed by the Id PCIT, Agra under section 127 of the Act on 14.01.2021. The assessee filed his return of income for assessment year 2020-21 on 28-03-21 declaring total income of Rs. 17,27,540/-. During the course of scrutiny assessment proceedings, the assessee was asked to explain the source of the seized cash of Rs. 10 lakhs. The assessee submitted that he is engaged in the business of purchase and sale of plots and the trading of milk and had offered business income in the return. It was submitted that he had withdrawn cash of Rs 4,50,000 on 30-3-2019 from his Axis Bank Account and the cash seized was out of available cash balance with him. The Id AO observed that assessee had withdrawn Rs. 4,50,000 from his bank account on 30-03-2019, the same was treated as explained source and the remaining sum of Rs. 5,50,000 (Rs. 10,00,000 minus Rs. 4,50,000) was sought to be added as unexplained money under section 69A read with section 115BBE of the Act and addition made in the hands of the assessee accordingly in the assessment framed under section 143(3) read with section 153A of the Act on 30-09-2021. This action of the learned AO was upheld by the learned CIT(A).

4. At the outset, I find that it is not in dispute that the cash of Rs 10 lakhs was seized on 30-3-2019 which falls in assessment year 2019-20 and hence no addition could be made in the hands of the assessee in assessment year 2020-21. Accordingly, I direct the Id AO to delete the

addition made in the sum of Rs 5,50,000 and allow the grounds raised by the assessee on this limited count itself.

5. In the result, the appeal of the assessee is allowed.

Order pronounced in the open court on 03/02/2026.

-Sd/-
(M. BALAGANESH)
ACCOUNTANT MEMBER

Dated: 03/02/2026
A K Keot

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1. Applicant
2. Respondent
3. CIT
4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR
ITAT, New Delhi