

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'SMC', NEW DELHI**

**BEFORE SH. N. K. BILLAIYA, ACCOUNTANT MEMBER  
(THROUGH VIDEO CONFERENCING)**

ITA No.481/Del/2021  
Assessment Year: 2017-18

<b>Puneet Utreja B-1/6, Rana Pratap Bagh, New Delhi-110007 PAN No.ABEPU1160G (APPELLANT)</b>	<b>Vs</b>	<b>ITO Ward- 72 (5) New Delhi (RESPONDENT)</b>
--	-----------	--

Appellant by	Sh. Prakash Mishra, CA
Respondent by	Sh. Vipul Kashyap, Sr DR

Date of hearing:	30/09/2021
Date of Pronouncement:	04/10/2021

**ORDER**

**PER N. K. BILLAIYA, AM:**

1. This appeal by the assessee is preferred against the order of the National Faceless Appeal Centre (NFAC) dated 05.03.2021 pertaining to A.Y. 2017-18.

2. The sum and substance of the grievance of the assessee is that the NFAC erred in confirming the addition of Rs.8 lacs, out of addition of 16.20 lacs made by the AO.

3. Briefly stated the facts of the case are that the return of income filed by the assessee was selected for scrutiny assessment. The reason for the selection of the return for scrutiny assessment was “Cash deposit during demonetization period”.

4. It was found that the assessee has deposited cash of Rs. 16.20 lacs. Rs. 8 lacs was deposited on 10.11.2016 and Rs. 8.20 lacs was deposited on 11.11.2016 on the very next date of deposit the amount was transferred to Smt. Santosh Devi.

5. The assessee was asked to explain the source of cash deposit and the assessee was show caused to explain why Rs. 16.20 lacs should not be added back to the income in the lack of any supporting document.

6. At first the assessee replied that the cash deposits were the same amount withdrawn earlier for the purpose of his marriage but the marriage got postponed.

7. Later on the assessee explained that the cash deposit was out of the money received from property “as per the

agreement to sell". The AO found that Rs.9971425/- received by the assessee were through account payee cheques and, therefore, there was no question of any cash receipt.

8. Not convinced with the conflicting replies of the assessee the AO made the addition of Rs.16.20 lacs.

9. Assessee carried the matter before the NFAC and reiterated what was stated before the AO.

10. After considering the facts and the submissions the NFAC held as under :-

4.3 There are two cash deposits amounting to Rs.8,00,000/- and Rs.8,20,000/- on 10.11.2016 and 11.11.2016 respectively. Immediately after such deposits, the amount was transferred to one Smt. Santosh Rani on 12.11.2016 and 13.11.2016. From the perusal of the copy of bank statement furnished during the appellate proceedings it is found that immediately before the cash deposits on 10.11.2016, there are two cash withdrawals vide self-cheques bearing No.151973 and 151974 on 24.10.2016 and 27.10.2016 amounting to Rs.5,00,000/- and Rs.3,20,000/- respectively. During the period 27.10.2016 - 08.11.2016, there are no other transactions in cash or by cheques (which is apparent from the bank statement). Even though it is difficult to correlate the cash withdrawals made on 24<sup>th</sup> and 27<sup>th</sup> October 2016 with the cash deposits made on 11.11.2016, as cash doesn't have the audit trail, considering the time gap of only 15 days and no other transactions through bank during that period, the benefit of doubt can be given to the assessee. Hence, the explanation to the extent of sources of Rs.8,20,000/- is proved by cash withdrawal made on 24<sup>th</sup> and 27<sup>th</sup> October 2016.

However, with respect to cash deposits of Rs.8,00,000/- there are no evidences. The explanation of the assessee is based on concocted story, as he trying to explain the same by correlating with some cash withdrawals made long time back. This is an improper explanation. Further the AO meticulously noted the incoherence in the replies submitted before him. When he assessee is having cash in hand there are no further need for withdrawal of cash on various dates. The cash deposits made on 10<sup>th</sup> November can not be explained by cash withdrawals made in September. Hence, to that extent, the explanation of the assessee is not acceptable. Hence, the addition u/s.69A of Rs.8,00,000/- is confirmed.

11. Before me the counsel could not adduce any evidence to dislodge the findings of NFAC on the contrary reiterated what was stated before NFAC. In absence of any documentary evidence brought on record in support of claims made for explaining the source of cash deposit I do not find any reason to interfere with the findings of the NFAC.

12. In the result, the appeal filed by the assessee is dismissed.

**Order pronounced in the open court on 04.10.2021.**

**Sd/-  
(N. K. BILLAIYA)  
ACCOUNTANT MEMBER**

\*NEHA\*

Date:-04.10.2021

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR  
ITAT NEW DELHI

Date of dictation	30.09.2021
Date on which the typed draft is placed before the dictating Member	04.10.2021
Date on which the typed draft is placed before the Other member	04.10.2021
Date on which the approved draft comes to the Sr.PS/PS	04.10.2021
Date on which the fair order is placed before the Dictating Member for Pronouncement	04.10.2021
Date on which the fair order comes back to the Sr. PS/ PS	04.10.2021
Date on which the final order is uploaded on the website of ITAT	04.10.2021
Date on which the file goes to the Bench Clerk	04.10.2021
Date on which file goes to the Head Clerk.	
The date on which file goes to the Assistant Registrar for signature on the order	
Date of dispatch of the Order	