

**आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़**  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**DIVISION BENCH, 'SMC' CHANDIGARH**

**BEFORE SHRI RAJPAL YADAV, VICE PRESIDENT AND**  
**SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER**

आयकर अपील सं./ ITA No. 1267/CHD/2025

निर्धारण वर्ष / Assessment Year : 2017-18

Shri Ankit Mittal, 420, Roop Nagar Colony, Jagadhri.	Vs	The ITO, Ward – 1, Yamuna Nagar.
स्थायी लेखा सं./PAN NO: AXAPM1080D		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

Assessee by : Shri Dhruv Goel, CA

Revenue by : Shri Vivek Vardhan, Addl. CIT Sr. DR

Date of Hearing : 15.01.2026

Date of Pronouncement : 27.01.2026

**PHYSICAL HEARING**

**ORDER**

**PER RAJPAL YADAV, VP**

The assessee is in appeal before the Tribunal against the order of the ld. Commissioner of Income Tax (Appeals) in short 'the CIT (A)' dated 22.08.2025 passed for assessment year 2017-18.

2. Though the assessee has taken three grounds of appeal, but his solitary grievance is that ld.CIT (Appeals) has erred in

confirming the addition of Rs.10 lacs and apply rate of tax as applicable u/s 115BBE of the Income Tax Act.

3. The brief facts of the case are that assessee is an employee with Tata Consultancy Services Ltd. He has income from bank interest and salary income. He has filed his return of income on 06.01.2018 declaring total income of Rs.3,54,360/-. The case of the assessee was selected for scrutiny assessment and a notice u/s 143(2) of the Act was issued and served upon the assessee. The AO was of the view that assessee has deposited Rs.15 lacs during demonetization period. Such details are noticed by the AO in paragraph No. 3, which reads as under :

Date of Deposit	Cash deposited	Bank A/c
10/11/2016	Rs.8,50,000/-	61702010003006 Union Bank of India
18/11/2016	Rs.6,50,000/-	61702010003006 Union Bank of India
<b>Total</b>	<b>Rs.15,00,000/-</b>	

4. The assessee has demonstrated before the AO that he has withdrawn a sum of Rs.5 lacs on 12.10.2016 and the balance amount of Rs.10 lacs was deposited out of earlier withdrawals. In order to buttress his claim, the assessee has submitted that he has sold his house at Jagadhri for a consideration of Rs.52,88,000/-. This sale was made on 30.06.2015. The sale

proceeds were deposited in the bank account. Out of that money, assessee has withdrawn Rs.20 lacs. The assessee has redeposited this money at different intervals and the remaining amount was deposited when currency was discontinued.

5. The ld. Revenue Authorities, namely, AO as well as CIT (Appeals) were of the view that it is not humanly possible that somebody would keep the cash of this magnitude with him for such a long period. Therefore, they have given the credit of withdrawal made by the assessee in the past and treated the sum of Rs.10 lacs as unexplained credit. The AO, thereafter, taxed this amount on the higher rate of taxation provided u/s 115BBE.

6. Appeal to the ld. CIT (Appeals) did not bring any relief to the assessee.

7. With the assistance of ld. Representative, we have gone through the record carefully. There is no dispute with regard to the fact that assessee has sufficient balance in the bank account. He has also sold house for more than Rs.52 lacs. He has withdrawn Rs.20 lacs out of those proceeds, which were

redeposited partly and balance has been deposited during demonetization period. In our opinion, the expectations of the Revenue Authorities are improbable because they have erred to assume how a particular individual will behave in particular circumstances and the individual cannot be expected to behave in a mathematical precise manner. Once a possibility is being shown that cash was available with the assessee which was withdrawn from the bank and unless it is proved by the AO that this cash withdrawal was used by the assessee for some other purpose, he cannot disbelieve the version put-forth by the assessee. He has to give credence to that possibility. Simply he cannot ignore the claim of the assessee which is supported by the banking details. Therefore, we allow the appeal of the assessee and delete the addition.

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

Order pronounced on 27.01.2026.

**Sd/-**  
**(MANOJ KUMAR AGGARWAL)**  
**ACCOUNTANT MEMBER**

**Sd/-**  
**(RAJPAL YADAV)**  
**VICE PRESIDENT**

आदेश की प्रतिलिपि अग्रेषित/ Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्ड फाईल/ Guard File

सहायक पंजीकार/ Assistant Registrar