

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

Before Sh. Saktijit Dey, Vice President

Dr. B. R. R. Kumar, Accountant Member

ITA No. 287/Del/2021 : Asstt. Year: 2017-18

Anuj Sood, C/o GSK & Associates LLP, Building No. 8, 1 st Floor, Motia Khan Industrial Area, Rani Jhansi Road, New Delhi-110055	Vs.	ACIT, Central Circle-06, New Delhi-110055
(APPELLANT)		(RESPONDENT)
PAN No. AMNPS4765K		

Assessee by : Sh. Rajeev Saxena, Adv.

Sh. Shayam Sunder, Adv.

Revenue by : Sh. P. Praveen Sidharth, CIT DR

Date of Hearing: 27.04.2023

Date of Pronouncement: 17.07.2023

ORDER

Per Dr. B. R. R. Kumar, Accountant Member:

The present appeal has been filed by the assessee against the order of Id. CIT(A)-24, New Delhi dated 02.02.2021.

2. Following grounds have been raised by the assessee:

"1. On the facts and circumstances of the case, the order passed by the Id. CIT(A) is bad in law and against the principles of natural justice.

2. That the Id. CIT(A)-24, New Delhi has grossly erred both on facts and in circumstances of the case and in law, dismissing the appeal of the appellant assessee and by confirming the addition of Rs.73,87,343/- made by the AO had added on account of unexplained bullion/jewellery u/s 69B r.w.s. 115BBE of the Income Tax Act, 1961.

3. That the Id. CIT(A)-24, New Delhi has erred on the facts and in circumstances of the case and in law by not allowing assessee's appeal by dismissing the ground that the AO has not provided proper opportunity of being heard and violated the principle of natural justice by either rejecting or ignoring the submission made by appellant assessee."

3. During the course of search action carried out at residence of Sh. Anuj Sood u/s 132 of the Income Tax Act, 1961 on 23.11.2016, jewellery valued at Rs.1,24,64,057/- was found out of which jewellery amounting to Rs.1,06,42,243/- was seized.

Sh. Anuj Sood was asked to explain the source of investment made in acquisition of the said Jewellery, he stated that said jewellery belonged mostly to his wife, his mother and himself. He further, stated that part of the Jewellery was ancestral jewellery and other was received as gift by his wife during their marriage which took place in the month of October 2016.

4. The AO alleged that the assessee was unable to provide any supporting evidence/documents in this regard. It was held that Sh. Anuj Sood was able to explain the source of income for acquiring the said jewellery nor did he provide the wealth tax return or any will against his claim that the jewellery was acquired through inheritance or gift.

5. The Id. CIT(A) based on the circular of the CBDT treated jewellery of 1100 gms as explained and accorded relief in monetary terms of Rs.32,54,900/- and confirmed the addition of Rs.73,87,300/-.

6. Before us, the Id. AR reiterating the arguments taken before the revenue authorities submitted that the assessee got

married on 21.10.2016 and the raid took place on 23.11.2016 and the newly married bride is the youngest daughter of an established family and received jewellery at marriage and also as gifts from friends and relatives. Further, the Id. AR stressed on the point that the assessee is a high net worth individual which can be examined from the returned income and taxes paid and hence the availability of the jewellery of Rs.73.87 lacs cannot be treated as undisclosed. The returned income and tax payment are as under:

A.Y.	Returned Income	Taxes Paid (including interest and fees)
22-23	3,93,54,970	1,57,37,785
21-22	4,86,43,660	1,97,90,811
20-21	3,72,12,690	1,49,56,569
19-20	5,57,57,810	2,08,31,181
18-19	4,72,07,120	1,78,83,886

7. Further, the assessee has submitted details of PMGKY deposits scheme, copy of declaration and deposit at page nos. 158 to 178 of the paper book declaring an amount of Rs.6.50 Cr.

8. We find that the assessee has declared undisclosed income of Rs.6.5 Cr. Deposited in the savings bank account of Central Bank of India, Dariyaganj Branch, A/c No. 3590634453 and paid taxes of Rs.1,95,00,000/- on 31.03.2017. The marriage expenses were to tune of Rs.70.82 lacs. The assessee has also filed before the revenue authorities, the will of Ms. Sarla Sood and also the confirmation of Sh. Rajesh Sood the Paternal uncle of gifting the jewellery on the occasion of marriage.

9. Hence, keeping in totality, the entire facts and circumstances of the case viz., the returned income, the tax payments, the declaration in PMGKY, the will of the grandmother, the confirmation of Sh. Rajesh Sood, the fact of marriage of the assessee a month before the search action with the arrival of bride with her jewellery, it can be reasonably concluded that no addition on account of jewellery is called for in the instant case.

10. In the result, the appeal of the assessee is allowed.
Order Pronounced in the Open Court on 17/07/2023.

Sd/-

(Saktijit Dey)
Vice President

Dated: 17/07/2023

Subodh Kumar, Sr. PS

Copy forwarded to:

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

Sd/-

(Dr. B. R. R. Kumar)
Accountant Member

ASSISTANT REGISTRAR