

**IN THE INCOME TAX APPELLATE TRIBUNAL  
AHMEDABAD “SMC” BENCH, AHMEDABAD**

**BEFORE Ms. SUCHITRA KAMBLE, JUDICIAL MEMBER**

**ITA No.74/Ahd/2023  
Assessment Year: 2017-18**

Atulbhai Babubhai Shah, C/16, Shubh Bunglow, Nr. Talavadi Bus Stop, Thaltej, Ahmedabad – 380 059. <b>[PAN – AGZPS 4301 F]</b> (Appellant)	Vs.	The Income Tax Officer, Ward – 7(2)(2), Ahmedabad.  (Respondent)
Assessee by	Shri S.N. Divatia, AR & Shri Samir Vora, AR	
Revenue by	Shri Alpesh Parmar, Sr. DR	
Date of Hearing	25.10.2023	
Date of Pronouncement	03.01.2024	

**ORDER**

This appeal is filed by the assessee against order dated 13.01.2023, passed by the CIT(A), National Faceless Appeal Centre (NFAC), Delhi for the Assessment Year 2017-18.

2. The assessee has raised the following grounds of appeal :-

- “1.1 The order passed under Section 250 on 13.01.2023 for AY 2017-18 by NFAC CIT(A)-Delhi upholding the addition of Rs.8,53,000/- towards cash deposit in bank accounts as unexplained money is wholly illegal, unlawful and against the principles of natural justice.*
- 1.2 The Ld. NFAC has grievously erred in law and or on facts in not considering fully and properly the submissions made and evidence produced by the appellant with regard to the impugned addition. The observations made by NFAC on page-6 of the impugned order are presumptions and the Explanation/evidence was not sought for in this regard by NFAC.*
- 2.1 The Ld. CIT(A) has grievously erred in law and on facts in confirming addition of addition of Rs.8,53,000/- towards cash deposit in bank accounts as unexplained money.*

2.2 *That in the facts and circumstances of the case as well as in law, the Ld. CIT(A) ought not to have upheld the addition of Rs.8,53,000/- towards cash deposit in bank accounts as unexplained money.*

2.3 *The Ld. CIT(A) ought to have taken peak credit of cash deposits in the bank accounts.*

*It is therefore, prayed that the addition of Rs.8,53,000/- upheld by the CIT(A) may kindly be deleted.”*

3. The assessee filed his return of income for Assessment Year 2017-18 declaring total income of Rs.3,39,920/-. The case of the assessee was selected for limited scrutiny and notice under Section 143(2) of the Income Tax Act, 1961 was issued on 21.09.2018 which was served upon the assessee. The statutory notices were served to the assessee but the assessee did not file/furnish any details regarding cash deposited during the demonetisation period in his bank account. Notice under Section 133(6) of the Act was issued to Axis Bank, Drive-in Branch and Dena Bank, Retail Asset Branch, Ahmedabad and received copies of bank statements maintained by the assessee. The Assessing Officer observed that the assessee has deposited cash of Rs.11,03,000/- during the demonetisation period i.e. 08.11.2016 to 31.12.2016. The assessee submitted his reply to the show causer notice dated 23.10.2019. The Assessing Officer rejected the same and made the addition of Rs.11,03,000/- treating the same as unexplained/unaccounted income of the assessee.

4. Being aggrieved by the Assessment Order, the assessee filed appeal before the CIT(A). The CIT(A) partly allowed the appeal of the assessee.

5. The Ld. AR submitted that the addition of Rs.8,53,000/- towards cash deposit in bank account as unexplained money is not justified as the cash deposits and the profit thereof was estimated. The Ld. AR further submitted that the Assessing Officer as well as the CIT(A) ignored the evidences filed by the assessee and on presumption made the addition. In fact, the CIT(A) ought to have taken peak credit of cash deposits in the bank account.

6. The Ld. DR relied upon the Assessment Order and the order of the CIT(A).

7. Heard both the parties and perused all the relevant material available on record. It is pertinent to note that the CIT(A) has taken cognisance of the documents of medical report and medical bills in the name of assessee's wife and also bank statement of the assessee with Dena Bank for the month of August 2013 and also Pension Payment Order. The CIT(A) further observed that as the said evidence is in respect of the addition, the assessee should have explained the genuineness of the cash deposit but the assessee did not demonstrate the matching amount and higher amount which was deposited during the demonetisation period. The assessee's contention about the wife of the assessee not well was not established by the assessee through any medical report or through any other evidences during the period of three years. The CIT(A) has rightly given the rebate to the extent of Rs.2,50,000/- in respect of the said part of source of cash deposit made during the demonetisation period. Thus, the confirmation is not on estimated basis as the CIT(A) has taken into account the CBDT SOP regarding verification of cash transactions relating to demonetization period as per instruction no.3 of 2017 dated 21.02.2019. There is no need to interfere with the finding of the CIT(A). Hence, appeal of the assessee is dismissed.

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

Order pronounced in the open Court on this 3<sup>rd</sup> January, 2024.

Sd/-  
**(SUCHITRA KAMBLE)**  
Judicial Member

**Ahmedabad, the 3<sup>rd</sup> January, 2024**

**PBN/\***

Copies to: (1) The appellant  
(2) The respondent  
(3) CIT  
(4) CIT(A)  
(5) Departmental Representative  
(6) Guard File

By order

Assistant Registrar  
Income Tax Appellate Tribunal  
Ahmedabad benches, Ahmedabad