

IN THE INCOME TAX APPELLATE TRIBUNAL  
NAGPUR “SMC” BENCH :NAGPUR [VIRTUAL HEARING]  
BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER

I.T.A.No.363/NAG./2023  
Assessment Year 2017-18

Rajendra Namdev Nasare, Bishnupur, Narkhed, Nagpur – 441305, Maharashtra PAN : AJHPN0955F (Appellant)	vs.	The Income Tax Officer, Ward-5(2), Nagpur (Respondent)
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For Assessee :	None
For Revenue :	Shri Abhay Y. Marathe

Date of Hearing :	22.03.2024
Date of Pronouncement :	25.04.2024

**ORDER**

This assessee’s appeal for assessment year 2017-18, arises against the National Faceless Appeal Centre [in short the “NFAC”] Delhi’s Din and Order No. ITBA/NFAC/S/250/2023-24/1056120872(1), dated 15.09.2023, involving proceedings u/s. 143(3) of the Income Tax Act, 1961 (in short “the Act”).

Case called twice. None appears at assessee’s behest. It is accordingly proceeded ex-parte.

2. Coming to the assessee’s sole substantive grievance canvassed in the instant appeal challenging the correctness of both the learned lower authorities action adding his cash deposit of Rs.20,00,000/-, Mr. Marathe invited my attention to the CIT(A)’s detailed discussion to this effect reading as under :

*“5.2 The addition made by the Assessing Officer and the submissions of the appellant have been perused. It is seen that the appellant had made cash deposit of Rs.20 lakhs in the Arvind Sahakari Bank. The appellant in his submissions stated that sources for cash deposit of Rs.20,00,000/- made during demonetization period is to be gifts from his father Rs.6,50,000/- and mother Rs.5,00,000/- and Rs.8,50,000/- out of sale proceeds of goods of his business. The appellant also placed reliance on the decision of Income Tax Appellant Tribunal, Indore bench in the case of Shri Hemant Pandya vs. ITO 3(2) in ITA No. 173/Ind/2022, wherein the Hon'ble ITAT held that the appellant's father received sale consideration of property in cash and that is why he made cash gift to appellant. In the present case under consideration, the appellant's parents source for cash gift is out of agricultural income of Rs.6,50,000/- and Rs.5,00,000/- which cannot be appreciated. The appellant has also not produced any evidence with regard to sale of agricultural produce by his parents in support of the claim. Therefore, the source of cash gift from his parents out of their agricultural income is not established. Further, the claim of the appellant that the sources for cash deposit of Rs.8,50,000/- out of sale proceeds of goods, agriculture income and self accumulation by the appellant is also not supported by any documentary evidence .. Since, the appellant failed to prove the genuineness of cash deposit made in his bank account during demonetization period, the action of the AO is upheld and Ground Nos.1 to 4 are dismissed.”*

3. I have given my thoughtful consideration to the assessee's pleadings and Revenue's vehement contention. It is evident from the instant case file the assessee had made cash deposits of Rs.20,00,000/- attributing source thereof to gift received from parents and business receipts. The Revenue further fails to rebut the clinching fact that the assessee derives salary and also happens to be proprietor of M/s. Dinesh Agro. This is also not the Revenue's case that the assessee's parents have no means at all.

4. Faced with this situation, I hereby deem it appropriate in larger interest of justice, keeping in mind the assessee socio economic status, that a lumpsum addition of Rs.10,00,000/- out of that in question of RS.20,00,000/- would be just and proper with a

rider that the same shall not be treated as a precedent. The assessee gets relief of Rs.10,00,000/-. Necessary computation shall follow as per law.

5. This assessee's appeal is partly allowed in above terms.

Order pronounced in the open Court on 25.04.2024.

Sd/-  
[SATBEER SINGH GODARA]  
JUDICIAL MEMBER

Pune, Dated : 25<sup>th</sup> April, 2024

Ravi/-

Copy to

1.	The appellant
2.	The respondent
3.	The Pr. CIT, Nagpur concerned
4.	D.R. ITAT, "SMC" Bench, Nagpur.
5.	Guard File.

//By Order//

//True Copy //

Sr. Private Secretary, ITAT, Pune Benches,  
Pune.