

IN THE INCOME TAX APPELLATE TRIBUNAL

PUNE "SMC" BENCH : PUNE

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER

I.T.A.No.669/PUN./2024 [E-APPEAL]

Assessment Year 2017-2018

Hansabai Shailendra Girase, 100, Dadusing Colony, Shirpur, Tal. Shirpur, Dist. DHULE. PIN – 425 405 Maharashtra. PAN BGAPG3689Q (Appellant)	vs.	The Income Tax Officer, Ward-1, Income Tax Office, Near Santoshi Mata Chowk, Sakri Road, DHULE. Maharashtra. PIN – 424 001. (Respondent)
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For Assessee :	Shri Vishnu C. Agrawal
For Revenue :	Shri Kalpesh Kumar Rupavatiya

Date of Hearing :	10.05.2024
Date of Pronouncement :	14.05.2024

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/250/2023-24/1060640088(1), dated 08.02.2024, involving proceedings u/s.144 of the Income Tax Act, 1961 (in short "the Act").

Heard both the parties. Case file perused.

2. Coming to the assessee's twin substantive grounds raised in this instant appeal challenging correctness of both the learned lower authorities action inter alia making sec.69A addition of Rs.20,95,600/- and applying 8% gross profit ratio on the total turnover representing cash receipts of

Rs.1,05,46,480/-; coming to Rs.8,43,718/-; respectively, learned counsel invited my attention to the CIT(A)'s detailed discussion *qua* the same reading as under :

6.1 I have gone through the Assessment Order and submissions of the appellant. The AO has carried out additions of Rs. 29,39,318/- as under:

Cash deposit treated as unexplained money u/s 69A of the IT Act, 1961	Rs. 20,95,600/-
Net profit in the business income	Rs. 8,43,718/-

Grounds No. 1

6.2 This ground is regards to addition of Rs. 20,95,600/- being cash deposits which was treated as unexplained money u/s 69A of the IT Act, 1961.

6.3 During the course of the assessment proceedings, it is noted that during the year under consideration, the appellant has deposited cash deposits of Rs. 20,95,600/- in denomination of SBN during the period 08.11.2016 to 31.12.2016 in a/c no. 3297830032 and a/c no. 2970783843 maintained with the Central Bank of India, Thalner. The appellant was asked to explain the source of cash deposits, but the appellant has failed to furnish any documentary evidence and to offer any explanation. Therefore, an amount of Rs. 20,95,600/- was added by the AO to the total income of the appellant for the year under consideration.

6.4 It is noted from the submissions furnished by the appellant during the appellate proceedings, the appellant has stated that a/c no. 2970783843 and a/c. no. 3297830032 maintained with the Central Bank of India belong to Jay Bhadra Indane Gramin Vitrak, a proprietary firm (Prop: Shailendra Jaysing Girase, PAN: AIMPG7165N), having dealership business of Indane LPG Gas Cylender Distributor for rural area, transaction in these account is not related with appellant.

6.5 Further the appellant has stated that the appellant is joint holder to these accounts, but all the transactions are related to Jay Bhadra Indane Gramin Vitrak.

6.6 Since the appellant is joint holder to these bank accounts i.e. a/c no. 2970783843 and a/c. no. 3297830032 maintained with the Central Bank of India then the onus is on the appellant to prove the genuineness of cash deposits. However, the appellant has not furnished any documentary evidences to substantiate her claim. Therefore, the contention of the appellant is not found to be acceptable. Hence the addition of the Rs. 20,95,600/- was added by the AO is upheld.

6.7 Accordingly, the Ground No. 1 is dismissed.

Grounds No. 2

6.8 This ground is regards to addition of Rs. 8,43,718/- being Net profit in the business income.

6.9 During the course of the assessment proceedings, it is noted that during the year under consideration, the appellant has deposited cash deposits of Rs. 1,05,46,480/- on various dates in a/c no. 3297830032 and a/c no. 2970783843 maintained with the Central Bank of India, Thalner. The appellant was asked to explain the source of cash deposits, but the appellant has failed to furnish any documentary evidence and to offer any explanation. Therefore, the amount of Rs. 1,05,46,480/- was treated as total gross turnover of business income of the appellant. Hence, an amount of Rs. 8,43,718/- (i.e. 8% of Rs. 1,05,46,480/- of total gross turnover) was added as Net profit of the business income of the appellant for the year under consideration.

6.10 It is noted from the submissions furnished by the appellant during the appellate proceedings, the appellant has stated that a/c no. 2970783843 and a/c. no. 3297830032 maintained with the Central Bank of India belong to Jay Bhadra Indane Gramin Vitrak, a proprietary firm (Prop: Shailendra Jaysing Girase, PAN: AIMPG7165N), having dealership business of Indane LPG Gas Cylinder Distributor for rural area, transaction in these account is not related with appellant.

6.11 Further the appellant has stated that the appellant is joint holder to these accounts, but all the transactions are related to Jay Bhadra Indane Gramin Vitrak.

6.12 Since the appellant is joint holder to these bank accounts i.e. a/c no. 2970783843 and a/c. no. 3297830032 maintained with the Central Bank of India then the onus is on the appellant to prove the genuineness of cash deposits. However, the appellant has not furnished any documentary evidences to substantiate her claim. Therefore, the contention of the appellant is not found to be acceptable. Hence the addition of the Rs. 8,43,718/- was added by the AO is upheld.

6.13 Accordingly, the Ground No. 2 is dismissed.

3. The Revenue vehemently argued during the course of hearing that the assessee has not been able to plead and prove all the necessary facts regarding both these additions in the lower proceedings. The assessee's case on the other hand is that this is a joint account was operated by her spouse Smt. Shailendra Girase, proprietor of an Indian LPG gas cylinder dealership in rural area and therefore, these are business

receipts which already stand assessed. Faced with this situation, it is deemed appropriate in the larger interest of justice that the assessee's instant twin substantive grounds need afresh adjudication by the learned Assessing Officer to this clinching effect as this taxpayer could not reconcile the corresponding business turnover in either of the lower proceedings. It is made clear that the assessee only shall be having all risk and responsibility to get the necessary facts verified in consequential proceedings before the Assessing Officer preferably within three effective opportunities of hearing. Ordered accordingly.

4. This assessee's appeal is allowed for statistical purposes in above terms.

Order pronounced in the open Court on 14.05.2024.

Sd/-
[SATBEER SINGH GODARA]
JUDICIAL MEMBER

Pune, Dated 14th May, 2024

VBP/-

Copy to

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

//By Order//

//True Copy //

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