

IN THE INCOME TAX APPELLATE TRIBUNAL  
COCHIN BENCH, COCHIN

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER  
AND  
SHRI AMARJIT SINGH, ACCOUNTANT MEMBER

ITA.No.881/Coch/2023  
Assessment Year - 2017-2018

Mohammed Kabeer Mankadeveth, Kaab AL Fort, Mangalam, MALAPPURAM. PIN – 676 561 KERALA. PAN ASPPK9705K	v.	Susan Dolores George, CIT(A), 80-Foot Road, BMTc Bldg., Koramangala, BENGALURU – 560 095. KARNATAKA.
(Appellant)		(Respondent)

Appellant by : -None-  
Respondent by : Smt.V.Swarnalatha, Sr.DR

Date of Hearing : 16.08.2024	Date of Pronouncement : 07.11.2024
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**ORDER**

**PER BENCH :**

This assessee's appeal, for assessment year 2017-2018, for the assessment year 2017-2018, arises against the order of the Commissioner of Income-tax (Appeals), Bengaluru-12, Bengaluru's DIN & Order No.ITBA/APL/S/250/2023-24/1057552897(1) dated

31.10.2023, in proceedings u/s.143(3) of the Income-tax Act, 1961; in short [“the Act”].

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

2. Coming to the assessee’s sole substantive ground challenging both the learned lower authorities action adding his cash deposits of Rs.19,40,300/- during demonetization, we note that the learned CIT(A)’s detailed discussion to this effect reads as follows :

*“6.1. The issue for consideration in the present appeal is the source of cash deposits in the appellant's bank accounts, amounting to Rs.19,49,300/- during the demonetization period. The appellant in his submissions has claimed that the total withdrawals from the bank were in excess of the deposits made during the period. The appellant has submitted that he was holding of Rs.23,45,000/- at the time of announcement of demonetization. Of this, Rs.19,00,000/- had been withdrawn on 13.07.2016 for*

*the purpose of land development, Rs.4,00,000/- for down payment for a BATW car on 20.09.2016 and Rs.49,000/- for other purpose. The appellant has submitted the cash book and bank statements of various accounts held by him Individually as well as jointly with his wife. On going through the same, certain discrepancies are noticed in the appellant's submissions which are discussed below.*

6.2. *The appellant has claimed that he had withdrawn cash of Rs.15,00,000/- on 13.07.2016 from his Axis Bank NRO account and on the same date, another cash withdrawal of Rs.4,00,000/- had boon made by his employee, Shri Sharafudheen from the appellant's Federal Bank NRE account. On going through the Federal Bank NRE Account statement, it is observed that there is no such withdrawal of Rs.4,00,000/- by Shri Sharafudheen on 13.07.2016. Further, it is claimed that cash withdrawal of Rs.4,00,000/- was made by Shri Mohammed Shihabudheen on 20.09.2016 for down payment for a*

*BMW car. No such cash withdrawal transaction is seen from any of the appellant's bank accounts at Catholic Syrian Bank, Federal Bank or Axis Bank on that date. It is further noticed that though the appellant is claiming that he had sufficient withdrawals to account for the cash deposits during the demonetization period, there were substantial cash deposits in his Catholic Syrian Bank account and his Axis Bank NIRO account even prior to the period of demonetization. Therefore, the appellant's explanation that the source of the cash deposits is from earlier withdrawals is not tenable in the face of the above facts. Further, except for the land development and down payment for the car, the appellant has not explained the purpose for which the other withdrawals of cash were made from his account. If the purpose of withdrawal was only to redeposit the cash at a later date, the appellant's explanation fails the test of reasonableness*

6.3. *The appellant has also stated in his submissions that some minor works of the land*

*development were undertaken in the month of August. He has not given details of the amount spent on these works. Out of the amount of Rs.19,00,000/- supposedly withdrawn for land development, some part was utilized and the portion spent cannot be used to explain fully the source of deposits during the demonetization period.*

*Further, as noted above, the stated withdrawal of Rs.19,00,000/- for land development purposes was also found to be having discrepancies. The onus of proving the source of cash deposits lies on the appellant, which he has not discharged satisfactorily. In view of the various discrepancies listed above, the explanation given by the appellant for the cash deposits in his bank account during the demonetization period is not accepted. The addition made by the AO is therefore upheld. The grounds of appeal are dismissed.*

7. *In the result, the assessee's appeal is dismissed.”*

3. Suffice to say, it has come on record that neither the assessee has been able to satisfactorily explain source of his impugned cash deposits all along nor the Revenue could rebut the clinching fact of him having made cash withdrawals in the very calendar year i.e., on 19.07.2016 to the tune of Rs.19,00,000/-. This being the clinching factual position, we conclude that a lump sum addition of Rs.4,00,000/- would meet the ends of justice in these peculiarities of the instant case. The assessee gets relief of Rs.15,40,300/- in other words. Ordered accordingly.

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

Order pronounced in the open court on this 7<sup>th</sup> day of November, 2024.

Sd/-  
(AMARJIT SINGH)  
ACCOUNTANT MEMBER

Sd/-  
(SATBEER SINGH GODARA)  
JUDICIAL MEMBER

Cochin ; Dated : 7<sup>th</sup> November, 2024.

VBP/-

Copy to :

1. The Appellant.
2. The Respondent.
3. The CIT Concerned.
4. The DR, ITAT, Cochin.
5. Guard File.

Asst.Registrar/ITAT, Cochin