

**IN THE INCOME TAX APPELLATE TRIBUNAL,  
MUMBAI BENCH "SMC", MUMBAI**

**BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER**

**ITA No.5825/M/2024  
Assessment Year: 2017-18**

|   |     |  |
|---|-----|--|
| <b>Ms. Lena Purshotam Patel,</b><br>19/A, New Lotus Building,<br>Room No.2, Amol Nagar,<br>Station Road,<br>Naigaon, Palghar<br>Maharashtra – 401 207<br><b>PAN: BFHPP0630Q</b> | Vs. | <b>Income Tax Officer,</b><br>Ward 4(2),<br>Ashar IT Park,<br>6 <sup>th</sup> Floor, Road No.16Z,<br>Wagle Industrial Estate,<br>Thane (West),<br>Maharashtra - 400604 |
| (Appellant)   |     | (Respondent)   |

**Present for:**

Assessee by : Ms. Shivali S. Mhatre, Ld. A.R.  
Revenue by : Shri Kiran Unavekar, Ld. Sr. D.R.

Date of Hearing : 16 . 01 .2025  
Date of Pronouncement : 24 . 03 .2025

**O R D E R**

**Per : Narender Kumar Choudhry, Judicial Member:**

This appeal has been preferred by the Assessee against the order dated 12.09.2024, impugned herein, passed by the Ld. Addl/Joint Commissioner of Income Tax (Appeals) (in short "Ld. Addl./Joint Commissioner") under section 250 of the Income Tax Act, 1961 (in short 'the Act') for the A.Y. 2017-18.

**2.** In the instant case, the Assessee had declared total income at Rs.2,40,380/- after claiming deduction of Rs.10,000/- under chapter VIA of the Act, by filing her return of income on dated 29.03.2018 which was processed u/s 143(1) of the Act.

**3.** Subsequently, the case of the Assessee was selected for limited scrutiny under Computer Assisted Scrutiny Selection i.e. CASS to verify cash deposits made during demonetisation period. As per the ITBA system, the Assessee had deposited the amount of Rs.7,13,000/- in her bank accounts maintained with Bassein Catholic Co-Op Bank Ltd. and Bank of India and therefore in order to verify the transactions made by the Assessee, statutory notices were issued to the Assessee and the information was also called for furnishing the KYC details, as well as copy of bank statements, by issuing notice u/s 133(6) of the Act.

The Assessee filed her reply, on perusing the same it was observed by the Assessing Officer (AO) that the Assessee is also maintaining bank account with HDFC Bank Ltd. as well and in all three bank accounts she had deposited the following amounts:

| Bank accounts  | Cash Deposit during demonetization |
|--|------------------------------------|
| Bank of India, Breach Candy Branch (A/c No. 710100009127)              | Rs.3,80,000/-                      |
| Bassein Catholic Co Op Bank Ltd, Naigaon West Branch (A/c No. SB-8144) | Rs.3,33,000/-                      |
| HDFC Bank Ltd (A/c No. 00051000054863)                                 | Rs. 3,50,000/-                     |
| <b>Total</b>   | <b>Rs. 10,63,000/-</b>             |

**4.** The Assessee before the AO has claimed that she is a senior citizen and entire amount deposited in the bank account was out of her savings over several long years and cash received from her son

Mr. Yashotam Patel. The AO not being impressed with the reply of the Assessee, again issued a show cause notice dated 28.11.2019 and asked the Assessee to furnish necessary details such as nature and source of cash in the hands of her son Mr. Yashotam Patel, details of the Assessee's last salary, retirement benefit etc. to substantiate her claim regarding source of cash deposits on or before 02.12.2019. As per AO, till the date of passing of the assessment order dated 07.12.2019, the Assessee made no reply and therefore on analysis of the bank statements of the Assessee and on finding that the Assessee has deposited cash to the tune of Rs.10,63,000/- during demonetisation period, however, failed to substantiate the transactions held, by furnishing supporting documentary evidence as called for. Thus, the AO inferred "*that the Assessee had undisclosed cash in her possession, which she deposited during demonetization period and as such, the amount of Rs.10,63,000/- is remained unexplained in the hands of the Assessee*" and ultimately added the said amount in the income of the Assessee u/s 69A r.w.s. 115BBE of the Act.

**5.** The Assessee, being aggrieved, challenged the said addition before the Ld. Commissioner and has claimed that she had worked as a house cleaner, baby sitter and care taker for the last 40 years and during the demonetization period she had deposited all her past savings of 40 years amounting to Rs.10,63,000/- into her bank accounts. She resides with the son and her son is also a professional photographer, who had also given her certain cash amount from his savings into her bank account.

**6.** Considering the said claim of the Assessee, though the Ld. Commissioner has given relief for an amount of Rs.5,00,000/- by holding that in the interest of natural justice and out of the cash of Rs.10,63,000/- deposited during demonetisation period, the

Assessee being a senior citizen is eligible to get relief for an amount of Rs.5,00,000/- only, however, the Ld. Commissioner affirmed the addition of Rs.5,63,000/- by holding that the Assessee has failed to offer any explanation or documentary evidence.

**7.** The Assessee being aggrieved has preferred this appeal.

**8.** Heard the parties and perused the material available on record and given thoughtful considerations to the peculiar facts and circumstances of the case. Admittedly, the Assessee before the authorities below, has demonstrated that she was engaged in housekeeping work, cleaning work, baby sitting and care taker etc. and has accumulated the cash in anticipation of the marriage of her only son and for emergency medical conditions. The Assessee further claimed that she had also received some amount from her son. Further, after announcement of the demonetization, she had deposited the entire savings of her life/40 years of working/service kept in cash, in her bank accounts. However, still the Ld. Commissioner affirmed addition to the extent of Rs.5,63,000/- mainly on the reason that no explanation or documentary evidence has been submitted by the Assessee.

**8.1** This Court is of the considered view that there can be hardly any documentary evidence for housekeeping work, cleaning work, baby sitting etc., however, the Assessee still offered a plausible explanation for depositing the amounts in her bank accounts during demonetisation period and therefore simply on the basis of non-providing the relevant documents, which are otherwise not feasible in un-organized work of housekeeping, cleaning, cooking, babysitting etc., the liability of addition cannot be fastened. Thus, on the aforesaid analyzations, this Court is inclined to delete the addition under consideration and consequently the same is deleted.

9. In the result, the appeal filed by the Assessee is allowed.

**Order pronounced in the open court on 24.03.2025.**

**Sd/-  
(NARENDER KUMAR CHOUDHRY)  
JUDICIAL MEMBER**

\* Kishore, Sr. P.S.

Copy to: The Appellant  
The Respondent  
The CIT, Concerned, Mumbai  
The DR Concerned Bench

//True Copy//

By Order

Dy/Asstt. Registrar, ITAT, Mumbai.