

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

**BEFORE DR. BRR KUMAR, VICE PRESIDENT &
MS. SUCHITRA KAMBLE, JUDICIAL MEMBER**

I.T.A. No. 1911/Ahd/2024
(Assessment Year: 2018-19)

Jayeshkumar Dahyabhai Mali, A-102, Aashna Flat, Opp. Kameshwar School, Satellite, Gujarat-380015	Vs.	Income Tax Officer, Ward-6(1)(1), Ahmedabad
[PAN No.AJSPM3769K]		
(Appellant)	..	(Respondent)

Appellant by :	Shri Prashant Shrivastav, A.R.
Respondent by :	Shri Pratik Sharma, Sr. DR

Date of Hearing	13.03.2025
Date of Pronouncement	17.04.2025

ORDER

PER SUCHITRA KAMBLE, JUDICIAL MEMBER:

The appeal filed by the assessee is against the order passed by the Ld. Commissioner of Income Tax (Appeals), (in short “Ld. CIT(A)”), National Faceless Appeal Centre (in short “NFAC”), Delhi on 30.08.2024 for A.Y. 2018-19.

2. The grounds of appeal raised by the assessee are as under:

“a. The Ld. CIT(A) erred in confirming the order of the AO making an addition u/s 69C of Rs. 4,94,925/-.

b. Any other ground which may be urged before or during the time of hearing of the appeal.”

3. The case of the assessee was reopened on the basis of information that the assessee purchase fruits from M/s. Nitesh Fruit Company in cash of Rs. 4,94,925/-. During the assessment proceedings, the Assessing Officer

observed that the assessee failed to file satisfactory explanation regarding source of such cash transactions and accordingly assessment was completed under Section 147 r.w.s. 144 r.w.s 144B of the Act assessing total income at Rs. 12,94,765/- whereby an addition of Rs. 4,94,925/- made under Section 69C of the Act on account of unexplained expenditure.

4. Being aggrieved by the assessment order the assessee filed appeal before the CIT(A). The CIT(A) dismissed the appeal of the assessee.

5. The Ld. A.R. submitted that the Assessing Officer as well as the CIT(A) has not given the proper opportunity to the assessee for presenting the documents which categorically mentions that the transaction of purchase of fruits are the regular business of the assessee and the assessee has filed his return of income and declared all his business transactions. The Ld. A.R. submitted that the sale invoices and the ledger account of the Nitesh Fruits Company Ld. Categorically mentions the transactions with the assessee is on perusal trader of fruits in the name of Dayabhai and Company. These documents were not presented before the CIT(A) but the same was not at all considered by the CIT(A). The Ld. A.R. pointed out the extractions of bank account maintained with ICICI Bank highlighting the receipts from M/s. Nitesh Fruit Company before the Tribunal.

6. The Ld. D.R. relied upon the assessment order and the order the CIT(A).

7. We have heard the rival contentions and perused all the relevant materials available on record. From the perusal ledger account of M/s.

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Nitesh Fruit Company it's sale invoices issued by the assessee for A.Y. 2018-19 forming part of the ledger account of the sale company as well as the ledger account of the said company from the books of assessee for A.Y. 2019-20 and extract of bank account maintained with ICICI Bank highlighting the receipts from the said company categorically demonstrates that the transaction with the said company i.e. M/s. Nitesh Fruit Company was a business transaction and the same was properly declared by the assessee. Therefore, the CIT(A) has not taken cognizance of these documents and confirmed the addition under Section 69C of the Act on account of unexplained expenditure. But the assessee had demonstrated through its documentary evidences that the said expenditure was incurred during the business transaction and therefore, the CIT(A) is not justify in confirming the addition.

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

This Order pronounced in Open Court on

17/04/2025

Sd/-

(DR. BRR KUMAR)
VICE PRESIDENT

Ahmedabad; Dated 17/04/2025

TANMAY, Sr. PS

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आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त (अपील) / The CIT(A)-
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, अहमदाबाद / DR, ITAT, Ahmedabad
6. गार्ड फाईल / Guard file.

Sd/-

(SUCHITRA KAMBLE)
JUDICIAL MEMBER

आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt.Registrar)
आयकर अपीलीय अधिकरण, अहमदाबाद/ ITAT, Ahmedabad