

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

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI M. BALAGANESH, ACCOUNTANT MEMBER
(THROUGH VIDEO CONFERENCING)**

ITA No.131/DDN/2024
Assessment Year: 2017-18

Sh. Amit Kumar, Bhagwati Trading And Kiryana Store, Hospital Road, Vikas Nagar, Dehradun	Vs.	Income Tax Officer, Ward-1(1)(1), Dehradun
PAN :APTPK4213M		
(Appellant)		(Respondent)

Assessee by	Sh. Rajiv Sahani, CA
Department by	Sh. Amarpal Singh, Sr. DR

Date of hearing	20.03.2025
Date of pronouncement	23.04.2025

ORDER

PER SATBEER SINGH GODARA, JM

This assessee's appeal for assessment year 2017-18, arises against the Commissioner of Income Tax (Appeals)/Addl./JCIT(A)-5, Mumbai's DIN and order no. ITBA/APL/S/250/2024-25/1064873231(1), dated 14.05.2024, involving proceedings under sections 143(3) of the Income-tax Act, 1961 (hereinafter referred to as 'the Act').

2. Heard both the parties. Case file perused.
3. We note at the outset during the course of hearing that both the learned lower authorities have treated the assessee's cash deposits during demonetization period amounting to Rs.9,12,302/- as unexplained under section 68 r.w.s. 115BBE of the Act in the course of assessment framed on 26.12.2019 are upheld in the lower appellate discussion.
4. We have given our thoughtful consideration to the assessee's and the Revenues vehement submissions reiterating their respective stands. We make it clear that even the learned Assessing Officer has fairly accepted that the assessee is engaged in whole sale trading of grocery and provisional items in the name and style of M/s. Bhagwati Trading & Kiryana Store. The assessee has declared gross turnover of Rs.5,10,46,052/- in the relevant previous year.
5. That being the case and keeping in mind the assessee's accumulated savings etc., the only inference which arises in the facts herein is that these cash deposits represent the above business turnover, although, not specifically explained before the lower authorities. Be that as it may, we are of the considered view

in this factual backdrop that a lump sum addition of Rs. One lakh only would be just and proper with a rider that the same shall not be treated as a precedent. The assessee gets the relief of Rs.8,12,302 in other words.

6. So far as assessee's assessment under section 115BBE is concerned, I quote S.M.I.L.E. Microfinance Ltd. Vs. ACIT, W.P. (MD) No.2078 of 2020 & 1742 of 2020, dated 19.11.2024 (Madras) that the impugned statutory provision would come into effect on the transaction done on or after 01.04.2017 only. The assessee is accordingly directed to be assessed under the normal provision as per law.

7. This assessee's appeal is partly allowed.

Order pronounced in the open court on 23rd April, 2025

Sd/-
(M. BALAGANESH)
ACCOUNTANT MEMBER

Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER

Dated: 23rd April, 2025.

RK/-

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar, ITAT, New Delhi