

**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.36/DDN/2024  
Assessment Year: 2017-18

Sh. Kulbeer Singh Sajwan, Lane No.2, Ashok Vihar, Haridwar Byepass, Dehradun, Uttarakhand	<b>Vs.</b>	Income Tax Officer, Ward-1(1)(1), Dehradun
<b>PAN :AVMPS9347K</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

Assessee by	None
Department by	Sh. A.S. Rana, Sr. DR

Date of hearing	17.03.2025
Date of pronouncement	25.04.2025

**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), Panaji's DIN and order no. ITBA/APL/S/250/2023-24/1061503976(1) dated 26.02.2024, involving proceedings under section 143(3) of the Income-tax Act, 1961 (hereinafter referred to as 'the Act').

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

3. The Revenue vehemently argues during the course of hearing that both the learned lower authorities have rightly treated the assessee's cash deposits in the relevant previous year, amounting to Rs. 15.78 lakhs, as unexplained to the tune of Rs.9,25,500/- under section 68 r.w.s. 115BBE of the Act, in the course of assessment framed on 25.12.2019 and upheld in the lower appellate discussion.

4. We having given our thoughtful consideration to the assessee's pleadings all along and Revenue's foregoing contentions. We find no reason to concur with either party's stands in entirety. We make it clear first of all that the assessee/individual admittedly derives income from trading of pharmaceuticals in wholesale and retail under the name and style of his twin firms M/s. Mayank Pharma and M/s. Sajwan Medical Store. And also, that being in the specified business, he is indeed supposed to maintain his books of account as per Rule 6F(3)(i) as well, and therefore, he has nowhere been held as not to have complied with the mandatory condition of maintaining Form No. 3C over and above the regular

books of account. The Revenue also could not dispute that this assessee is engaged in essential services sector, which was indeed granted exemption during the demonetization period from 8<sup>th</sup> November, 2016 onwards, and, no specific fault has been found in his books of account. Be that as it may, it is deemed appropriate in the larger interest of justice in this backdrop that a lump sum addition of Rs.1.25 lakhs only would be just and proper with a rider that the same shall not be treated as a precedent once there is an overwhelming material that these cash deposits represent regular business only. Necessary computation shall follow as per law. The assessee gets the relief of Rs.8 lakhs in other words.

5. 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.

6. This assessee's appeal is partly allowed.

***Order pronounced in the open court on 25<sup>th</sup> April, 2025***

**Sd/-**  
**(M. BALAGANESH)**  
**ACCOUNTANT MEMBER**

**Sd/-**  
**(SATBEER SINGH GODARA)**  
**JUDICIAL MEMBER**

Dated: 25<sup>th</sup> April, 2025.

RK/-

Copy forwarded to:

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

Asst. Registrar, ITAT, New Delhi