

**IN THE INCOME TAX APPELLATE TRIBUNAL,
DELHI BENCH: "SMC" NEW DELHI**

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER

ITA No.2132/Del/2025
Assessment Year: 2017-18

Sh. Pranesh Sodhi, A-2/150, Janakpuri, Delhi	Vs.	Income Tax Officer, Ward-59(5), New Delhi
PAN :AAZPS4971M		
(Appellant)		(Respondent)

Assessee by	None
Department by	Sh. Manoj Kumar, Sr. DR

Date of hearing	28.05.2025
Date of pronouncement	28.05.2025

ORDER

This assessee's appeal for assessment year 2017-18, arises against the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre [in short, the "CIT(A)/NFAC"], Delhi's DIN and order no. ITBA/NFAC/S/250/2024-25/1071593171(1), dated 26.12.2024 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. Learned Departmental representative vehemently argues during the course of hearing in support of both the learned lower

authorities' respective findings that they have rightly added the assessee's cash deposits of Rs.27,45,500/- in Punjab National Bank; Rs. 11,05,000/- lakhs in Karnataka Bank and Rs.4,50,000/- in State Bank of India accounts; respectively, in assessment order dated 27.12.2019 and upheld in the lower appellate discussion.

4. I have given my thoughtful consideration to the assessee's pleadings all along and the Revenue's foregoing vehement contentions. Coming to the first and foremost head of Rs.27,45,500/- hereinabove, there is hardly any dispute that the same represents the assessee's payment made to his bank account in One Time Settlement "OTS" finalized with the bank account; and, therefore, the necessary inference which would arise in the given facts is that he had re-deposited the corresponding loan amount itself. That being the case, I find no merits in the impugned first and foremost addition Rs. 27,45,500/-, which is directed to be deleted.

5. Next comes the assessee's second and third cash deposits of Rs.11.05 lakhs and Rs.4.50 lakhs; respectively. A perusal of the case file such suggests that the assessee is actually engaged in

dairy business and allied activities who had also filed records of his previous cash withdrawal from the bank itself. Both the learned lower authorities do not appear to have given any credit thereof whilst making the impugned addition in the assessee's hands. The fact also remains that he has not been able to reconcile all the deposits and withdrawals entries to the satisfaction of the learned lower authorities. It is thus deemed appropriate in the larger interest of justice that a lumpsum addition of Rs. 2 lakhs only out of both these heads; would be just and proper with a rider that the same shall not be treated as a precedent. For the sake of clarity, it is thus made clear that the tribunal has deleted the above entire addition of Rs.11.05 lakhs and confirmed the learned CIT(A)'s findings restricting the last head of Rs.4.50 lakhs to Rs.2 lakhs only, in other words. Necessary computation shall follow as per law.

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 28th May, 2025

Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER

Dated: 28th May, 2025.

RK/-

Copy forwarded to:

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

Asst. Registrar, ITAT, New Delhi