

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

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER**

ITA No.2135/Del/2025  
Assessment Year: 2017-18

Mohammad Afroz Khan, 3313, 5 <sup>th</sup> Floor, Darya Ganj, Central Delhi, Delhi	<b>Vs.</b>	Income Tax Officer, Delhi
<b>PAN :AIJPK3736C</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

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/250/2024-25/1072018363(1), dated 09.01.2025 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 that both the lower authorities have

rightly added assessee's cash deposits made during demonetization of Rs.13,97,500/- as unexplained under section 69A read with section 115BBE of the Act, in assessment order dated 06.12.2019 and upheld in the lower appellate discussion.

4. That being the case, the Revenue could hardly dispute the fact that he had filed his return claiming himself as engaged in sale/purchase of building material, repair and maintenance etc. which stands accepted in principle in para 6 of the lower appellate discussion as his cash in hand claim of Rs.36,750/-, has already been granted. Meaning thereby that the necessary inference which would flow from the relevant facts is that the assessee's impugned cash deposits; although not specifically reconciled before the lower authorities is his business turnover which deserves to be assessed qua the profit element embedded therein. It thus deemed appropriate in the larger interest of justice that a lumpsum addition of Rs. 2 lakhs only in the given facts 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.11,97,500/- 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 28<sup>th</sup> May, 2025***

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

Dated: 28<sup>th</sup> May, 2025.

RK/-

Copy forwarded to:

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

Asst. Registrar, ITAT, New Delhi