

**IN THE INCOME TAX APPELLATE TRIBUNAL
JODHPUR BENCH (Virtual) JODHPUR**

**BEFORE SHRI RAJPAL YADAV, HON'BLE VICE PRESIDENT AND
DR. MITHA LAL MEENA, HON'BLE ACCOUNTANT MEMBER**

**ITA No. 37/Jodh/2025
Assessment Year 2017-18**

Deepsh Singh Beniwal, 31, Guru Pratap Nr, Pili Tanki, Bhagat Ki Kothi, Jodhpur – 342001. PAN No. ADYPB5490Q	Vs.	ITO, Ward-1(2), Jodhpur.
Assessee by	Shri Amit Kothari, C.A.	
Revenue by	Shri Karni Dan, Addl. CIT- D.R.	
Date of Hearing	28.04.2025.	
Date of Pronouncement	27.05.2025.	

ORDER

PER DR. MITHA LAL MEENA, A.M.:


The Captioned appeal has been filed by the assessee against the order dated 18/12/2024, passed by the Ld. Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre (NFAC), in respect of Assessment Year: 2017-18, challenging therein the CIT (A)'s order in upholding assessment order in violation of Principles of Natural Justice.

2. Having heard both the sides and perusal of record, it is seen that the Ld. CIT(A)/NFAC has confirmed the addition by observing that the appellant is not interested in pursuing this appeal and confirmed the addition made u/s 69A by



the AO without going into merits of the case and that the said addition was made by the AO without considering the submission of the assessee, during the assessment proceedings, in compliance to the notices issued u/s. 142(1) of the Act, to the appellant on various dates although the appellant submitted reply stating that the source was out of cash withdrawal, cash in hand, agricultural income etc. In our view, the appellant has a good arguable case on merits of the case. Meaning thereby that the lower authorities has acted in violation of principles of natural justice.

3. From the record, it is evident that the assessee has shown withdrawal of Rs.12,26,500/- during the period 01.04.2016 to 14.11.2017 besides cash in hand of Rs.13,66,205/- in hand as on 01.04.2016 as observed by the AO. The AO's query that what was the necessity of withdrawing cash when assessee already had Rs.13,66,205/- as cash in hand as on 01.04.2016 is irrelevant and unwarranted. Meaning thereby that Rs.12,26,500/- cash withdrawal by the assessee during the period 01.04.2016 to 14.11.2017 and the cash in hand of Rs.13,66,205/- as on 01.04.2016, makes Total cash available with the appellant assessee amounting to Rs. 25,92,705/- which sufficient to explain the source of the disputed cash deposit of Rs.17,94,000/-. The department failed to controvert the contention of the Assessee.



4. Considering the peculiar factual Matrix of the case, we hold that the source of the disputed cash deposit in the bank account of the assessee during the demonetisation period stands explained and therefore the addition of Rs. Rs.17,94,000/- is hereby deleted.

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

Order pronounced on 27/05/2025 in open court.

Sd

(RAJPAL YADAV)
VICE PRESIDENT

Sd

(DR. MITHA LAL MEENA)
ACCOUNTANT MEMBER

Dated : 27/05/2025

Copies to :

- (1) The appellant.
- (2) The respondent.
- (3) CIT
- (4) CIT(A)
- (5) Departmental Representative
- (6) Guard File

By Oder
Assistant Registrar,
Income Tax Appellate Tribunal,
Jodhpur Bench,
Jodhpur.