

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

**BEFORE SHRI SIDDHARTHA NAUTIYAL, JUDICIAL MEMBER
& SHRI NARENDRA PRASAD SINHA, ACCOUNTANT MEMBER**

I.T.A. No.1042/Ahd/2025
(Assessment Year: 2010-11)

Darshnaben Pinkalkumar Patel, 1, Mahalaxmi Park, Zadeshwar, Nr. Zadeshwar Bus Stand, Bharuch-392011	Vs.	Income Tax Officer, Ward-1(3)(1), Vadodara
[PAN No.BVPPP7919A]		
(Appellant)	..	(Respondent)

Appellant by :	Application (Written Submission)
Respondent by:	Shri Suresh Chand Meena, Sr. DR

Date of Hearing	25.08.2025
Date of Pronouncement	27.08.2025

O R D E R

PER SIDDHARTHA NAUTIYAL - JUDICIAL MEMBER:

This appeal has been filed by the Assessee against the order passed by the Ld. Commissioner of Income Tax (Appeals), (in short “Ld. CIT(A)”), ADDL/JCIT(A)-11, Mumbai vide order dated 04.03.2025 passed for A.Y. 2010-11.

2. The assessee has taken the following grounds of appeal:

“1. The learned CIT(A) erred in law and on facts in upholding the addition of Rs. 10,00,000/- without appreciating that the deposits were made by the appellant's father, a longstanding agriculturist, from agricultural income and past savings.

2. The learned CIT(A) wrongly dismissed genuine evidence such as the gift deed and land records as afterthoughts, without providing valid reasons or initiating further inquiry or verification.

3. The learned CIT(A) failed to consider that the appellant had no taxable income during the relevant year and was not required to file a return, and that any failure to

respond earlier stemmed from circumstances beyond her control, including her change of residence post-marriage and a lack of legal awareness.

*4. The learned CIT(A) passed the order without giving due weight to the **substantive submission dated 25.09.2021** and the documentary evidence on record, thus denying the appellant a fair and just opportunity to explain her position.*

*5. The addition made under Section 69 is unjustified, as the cash deposits were either from **exempt income (gift from a relative) or agricultural income**, both of which are **outside the scope of taxable income** and supported by relevant documentation.*

The appellant prays that the entire addition of Rs.10,03,059/- made under Section 69 of the Act be deleted.

Without prejudice to the above Appellant reserves its right to make any amendment to the grounds of appeal at the time of hearing.”

3. The brief facts of the case are that the Assessing Officer received information that the assessee had deposited a sum of Rs. 10 lakhs in her saving bank account, but the assessee had not filed return of income for the impugned assessment year. Accordingly, re-assessment proceedings under Section 147 of the Act were started in the case of the assessee. During the course of re-assessment proceedings, the Assessing Officer issued several notices of hearing to the assessee, but there was no response / compliance on the part of the assessee and accordingly, the Assessing Officer proceeded to complete the assessment on ex-parte basis under Section 144 of the Act. In absence of any explanation on the part of the assessee, the assessee added the entire credits amounting to Rs. 10 lakhs in the hands of the assessee as the undisclosed income of the assessee under Section 69 of the Act.

4. In appeal, Ld. CIT(A) dismissed the appeal of the assessee with the following observations:

“5.4 I have perused the grounds of appeal, and the discussion made by the Ld. Assessing officer in the assessment order. On perusal of the facts of the case, it is seen that the appellant failed to substantiate his claim during assessment proceedings and

failed to produce any documentary evidence related to cash deposited made in her bank account which she described as his father's agriculture income.

Now, the appellant has not submitted any supporting or additional evidence before the undersigned till date against the notices issued on various dates as mentioned supra. The contention of the appellant remained unexplained against the addition of Rs.8,00,000/-. For not producing supporting evidence during assessment proceedings to justify its claim as well as the appellant has not produced any supporting evidence before the undersigned till date; hence no additional evidence is on record that satiates appellants claim for deletion of addition.

In the absence of any argument by the appellant and on examination of the assessment order I find no reason to upheld the addition on account of unexplained cash deposit. Considering the facts discussed above in para 5.1 to 5.4 the addition made by the Ld. AO is therefore upheld.

6. Decision:-

The only ground of appeal is related to addition of Rs. 10,00,000/- made by the Ld. AO is upheld due in view of the discussion made in above paras number 5.1 & 5.4. The ground of appeal is dismissed.

7. *In the result, the appeal is **dismissed.***”

5. The assessee is in appeal before us against the aforesaid order passed by Ld. CIT(A) dismissing the appeal of the assessee. The Counsel for the assessee submitted that the assessee is an individual and the present bank account in which deposits were made by the assessee was a joint account in which the father of the assessee was a joint bank account holder. The Counsel for the assessee submitted that the father of the assessee was effectively operating the bank account and all deposits in the said bank account had been made by the assessee's father. It was submitted that the assessee's father was a farmer and the deposits were made by the assessee's father from agricultural income earned by him. The Counsel for the assessee also enclosed before us the details of land holding records of the assessee's father, agricultural products sold by the assessee's father and also a bank account statement for the impugned year to demonstrate that apart from aforesaid deposits, there

were also corresponding withdrawals which had been made by the assessee's father from the said bank account. The assessee also enclosed a copy of Affidavit of assessee's father, Mr. Prafullabhai Jivanbhai Patel confirming that the transaction in the aforesaid bank account had been done by him out of his agricultural income. Accordingly, the Counsel for the assessee submitted that since both the assessment orders as well as order passed by Ld. CIT(A) were on an ex-parte basis, and the entire credits had been added as assessee's undisclosed income, without giving any corresponding relief / credit for withdrawals made from the same bank account and also in light of the fact that the bank account in question was jointly held by the assessee and his father, who had also given an Affidavit to the effect that the entire cash deposits of Rs. 10 lakhs had been made by him from his agricultural income, it was requested that in the interest of justice, the matter may be restored to the file of Assessing Officer for de-novo consideration.

6. In response, Ld. DR placed reliance on the observations made by the Assessing Officer and Ld. CIT(A) in their respective orders.

7. We have heard the rival contentions and perused the material on record. From the facts placed on record, we note that the present bank account in which a sum of Rs. 10 lakhs had been deposited is joint account held jointly by the assessee and her father. The Assessing Officer in the ex-parte order passed under Section 147 r.w.s. 144 of the Act had added the entire cash credits as assessee's undisclosed income without giving any corresponding benefit of withdrawals made by the assessee from the same bank account. Further, the Counsel for the assessee has also filed an Affidavit of the father of the assessee, who had submitted that the entire deposits had

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been made by the assessee's father from his agricultural income in the said bank account, details of agricultural products sold and also details of agricultural land holdings held by father had also been submitted for our perusal. Accordingly, taking into consideration all facts and circumstances as highlighted above, in the interest of justice, we are hereby restoring the matter to the file of Assessing Officer for de-novo consideration and the assessee is directed to promptly and diligently comply with all notices of hearing issued by the Assessing Officer.

8. In the result, the appeal of the assessee is allowed for statistical purposes.

This Order is pronounced in the Open Court on	27/08/2025
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Sd/-
(NARENDRA P. SINHA)
ACCOUNTANT MEMBER

Ahmedabad; Dated 27/08/2025

TANMAY, Sr. PS

TRUE COPY

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त(अपील) / The CIT(A)-
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, अहमदाबाद / DR, ITAT, Ahmedabad
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt.Registrar)
आयकर अपीलीय अधिकरण, अहमदाबाद / ITAT, Ahmedabad