

**IN THE INCOME TAX APPELLATE TRIBUNAL, DELHI 'G' BENCH,
NEW DELHI**

**BEFORE MS. MADHUMITA ROY, JUDICIAL MEMBER, AND
SHRI NAVEEN CHANDRA, ACCOUNTANT MEMBER**

ITA No. 1350/DEL/2024 [A.Y. 2016-17]

Swati Monga
Flat 23, Ground Floor, D-6
Pocket -B, Sector-23B,
Dwarka, New Delhi

Vs.

The I.T.O(E)
Ward - 42(1)
New Delhi

PAN - BVXPS 6408 M
(Applicant)

(Respondent)

Assessee By : None

Department By : Shri Manish Gupta, Sr. DR

Date of Hearing : 11.08.2025

Date of Pronouncement : 03.09.2025

ORDER

PER NAVEEN CHANDRA, A.M:-

This appeal by the assessee is preferred against the order of the Id. CIT(A)/NFAC, Delhi dated 25.01.2024 for A.Y 2016-17.

2. Brief facts of the case are that Smt Swati Monga, the present assessee is engaged in boutique business. The assessee filed her return of income for A.Y 2017-18 on 17.12.2017 declaring total Income of Rs.

5,38,550/- after claiming deduction under chapter VIA for Rs.1,65,903/- . As per information received, the assessee had deposited a sum of Rs.20,000/- in her bank account with Canara Bank account, Rs. 28,67,100/- in Axis Bank and Rs.25,61,120/- in saving bank account with ICICI Bank totaling to Rs. 54,48,220/-.

3. The AO queried the assessee with regard to the cash deposit and the assessee explained that she had declared income from business of Boutique u/s 44AD of the Act for AY. 2016-17 by reporting a gross turnover of Rs.23,84,580/- and the net profit of Rs.6,88,963/- and that the cash deposits were sourced out of the boutique business. The Assessing Officer, in the absence of any documents or evidences, rejected the claim of the assessee and passed the assessment order u/s 143(3) of the Act on 25.12.2018 assessing the total income at Rs. 61,51,770/- with an addition u/s 69A on account of unexplained money of Rs. 54,48,220/- and levied tax thereof at Rs. 24,34,819/-.

5. Being aggrieved, the assessee filed her appeal before the CIT(A) who upheld the additions made by the AO.

6. Aggrieved further, the assessee is in appeal before us.

8. None appeared on behalf of the assessee neither any petition for adjournment was received. We therefore, decided to proceed ex-parte qua the assessee. We have heard the ld. DR and have perused the

relevant material on record. We find that the assessee has claimed that she has been running the boutique business for almost 14 years which is conducted mainly in cash. The entire turnover of Rs.23,84,583/- was claimed to have been received in cash and the same was deposited in the bank account. The explanation for the remaining cash deposits was that there were cash withdrawals and re-deposits of the same cash and therefore, the entire cash deposits stand explained.

9. We find that the CIT(A) has dealt with the issue as follows:

On the perusal of the bank statements, it is noticed that there were several credits other than cash deposits for which no explanation was offered. The appellant has also not explained as to why the cash deposits were made in her savings bank accounts while the proprietorship firm has current account for business operations. The copy of the current account was not provided nor any details regarding debits and credits in the bank account were furnished.

Further, there is no rationale for depositing cash in one bank account and withdrawing the same in another bank account with different bank or the same bank. The bank account statements reveals that there were numerous cash withdrawals immediately after cash deposits and other credit. This pattern is not in line with the business operations claimed to have been conducted by the appellant nor does it have any commercial expediency.

Although, this is a case of presumptive taxation u/s 44AD, the onus is on the appellant to justify that there were genuine business transaction and the income was earned out of the transactions. At least, the basic details of purchase and sales for the alleged boutique business should have been provided to justify the claim.

In view of the above discussion, it is concluded that the appellant has not discharged her burden of proof to justify the reasons and genuineness of cash deposits. In essence, since the appellant had not provided any details regarding the nature and sources of cash deposits in her bank account along with the documentary evidences to explain to

the satisfaction of AO or this office to claim the relief as sought in the grounds of the appeal, the appeal is liable to be dismissed.

Further with regard to the legal ground that addition u/s 69A is not correct, the fact remains that the appellant had unexplained money in her hands during the year and she deposited the same in her bank accounts. As long as the finding that she had unexplained money in her hands is valid and justified and upheld, the question of subsequent deposit in her bank account is merely consequential. Moreover, she is deemed to be the owner of the money in her savings bank account, which is not connected to her business account or activity, and since she has not offered satisfactory explanation about the nature and source such deposits, the addition made u/s 69A is justified. Therefore, the impugned assessment order is upheld and no interference is called for.

10. In view of the findings of the CIT(A), we do not see any reason to interfere with the decision of the Id. CIT(A). Accordingly, we uphold the order of the Id. CIT(A). Grounds raised by the assessee stand dismissed.

11. In the result, the appeal of the assessee in ITA No. 1350/DEL/2024 is dismissed.

The order is pronounced in the open court on 03.09.2025.

Sd/-
[MADHUMITA ROY]
JUDICIAL MEMBER

Sd/-
[NAVEEN CHANDRA]
ACCOUNTANT MEMBER

Dated: 03rd SEPTEMBER, 2025.

VL/

Copy forwarded to:

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

Asst. Registrar,
ITAT, New Delhi

Sl No.	PARTICULARS	DATES
1.	<i>Date of dictation of Tribunal Order</i>	
2.	<i>Date on which the typed draft order is placed before the Dictating Member</i>	
3.	<i>Date on which the typed draft order is placed before the other Member [in case of DB]</i>	
4.	<i>Date on which the approved draft order comes to the Sr. P.S./P.S.</i>	
5.	<i>Date on which the fair Order is placed before the Dictating Member for sign</i>	
6.	<i>Date on which the fair order is placed before the other Member for sign [in case of DB]</i>	
7.	<i>Date on which the Order comes back to the Sr. P.S./P.S for uploading on ITAT website</i>	
8.	<i>Date of uploading, inf not, reason for not uploading</i>	
9.	<i>Date on which the file goes to the Bench Clerk</i>	
10.	<i>Date on which the file goes for Xerox</i>	
11.	<i>Date on which the file goes for endorsement</i>	
12.	<i>The date on which the file goes to the Superintendent for checking</i>	
13.	<i>Date on which the file goes to the Assistant Registrar for signature on the order</i>	
14.	<i>Date on which the file goes to the dispatch section for dispatch the Tribunal order</i>	
15.	<i>Date of Dispatch of the Order</i>	
16.	<i>Date on which the file goes to the Record Room after dispatch the order</i>	