



सत्यमेव जयते



**IN THE INCOME TAX APPELLATE TRIBUNAL, PANAJI BENCH, GOA
BEFORE HON'BLE SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER
AND**

SHRI G. D. PADMAHSHALI, ACCOUNTANT MEMBER

ITA Nos. 117/PAN/2025

Assessment Year : 2018-19

Amraram Gomaji Chowdhary
457/C, Aquem Baixo, Fargulem,
Navelim, Goa-403707.
PAN : AQJPC0124C

..... *Appellant*

V/s

Income Tax Officer,
Ward-(1), Margao, Goa.

..... *Respondent*

Appearances

Assessee by : Mr Pradeep Kulkarni ['Ld. AR']

Revenue by : Ms Manju Thakur ['Ld. DR']

Date of conclusive Hearing : 26/08/2025

Date of Pronouncement : 26/08/2025

ORDER

PER G. D. PADMAHSHALI;

The captioned appeal of the appellant assessee impugns DIN & Order ITBA/NFAC/S/250/2024-25/1074431239(1) dt. 12/03/2025 passed by the National Faceless Appeal Centre, Delhi ['Ld. NFAC' hereinafter] u/s 250 of the Income-tax Act, 1961 ['the Act' hereinafter] which in turn arisen out of order of assessment dt. 29/02/2024 passed u/s 147 r.w.s. 144B of the Act by the National Faceless e-Asstt Centre ['Ld. AO' hereinafter] anent to assessment year 2018-19 ['AY' hereinafter].



2. Tersely stated facts of the case are that; the assessee is an individual and was identified as non-filer. Upon a receipt of information that the assessee deposited huge cash of ₹1,18,10,000/- into his C/A No 108711100002953 maintained with 'Andhra Bank', the Ld. AO after recording reasons & obtaining prior approval from competent authority in the absence of return of income on record, vide notice dt. 28/02/2023 issued u/s 148 of the Act the case of the assessee was reopened for reassessment u/s 147 of the Act. In response to said reassessment notice, the assessee filed his return of income on 04/10/2023 declaring therein total income of ₹4,78,990/-. The said return was subjected to scrutiny and consequential assessment u/s 147 r.w.s. 144B of the Act was completed wherein a solitary addition of ₹60,58,430/- owing to assessee's failure to explain nature & source of cash deposits made into C/A maintained with 'Andhra bank' was made to the total income of the assessee as unexplained money u/s 69A of the Act. Aggrieved by the addition the assessee filed appeal u/s 246A of the Act before the Ld. NFAC who after partly satisfying with the explanation tendered allowed the assessee's appeal partly by restricting the addition to ₹9,35,000/- as against entire cash deposits.



3. Still aggrieved by order of first appellate authority, the assessee filed present appeal u/s 253(1) of the Act with a substantive ground alleging the balance addition sustained in first appeal is without merits and devoid of facts.

4. We have heard the rival parties and subject to rule 18 of ITAT-Rules 1963 perused material placed on record, considered the facts in the light of settled legal position.

5. We note that, indisputably the case of the appellant was identified as 'Nonfiler' and in the absence of return of income, huge cash deposits founded a basis for reopening the case u/s 147 of the Act. Pursuant to reassessment notice issued u/ 148 of the Act the assessee filed his return declaring income of ₹4,78,990/- on presumptive taxation basis which was computed @8% of total cash deposits of ₹60,58,430/-. The information received through NMS system was reconfirmed u/s 133(6) of the Act which revealed to the Ld. AO that, the cash deposit by the appellant for the year under consideration was only ₹60,58,430/- and ₹1,18,10,000/-. In view thereof, in the absence of convincing evidences showcasing



satisfactorily of carrying on grocery business by the appellant, the Ld. AO disbelieved the assessee's explanation & declaration with respective presumptive taxation. In the event the Ld. AO brought to tax the entire amount of confirmed cash deposits of ₹60,58,430/- as the unexplained money u/s 69A of the Act and made the addition on such account.

6. We also note that, in the first appellate proceedings, the appellant made detailed written submissions accompanying therewith cash invoices drawn by him right from the date of GST registration granted to him, copy of bank statement and copy of cash book etc., which were maintained so as to deduce income for the purpose of presumptive taxation. Except the first cash deposit of ₹9,35,000/- made by the appellant, all other submission could positively explain the nature of cash receipt as 'sales proceeds/realisation' from the solitary source of 'emanating from grocery business;' carried out by the appellant. For the reasons, the initial cash deposit made on 19/09/2017 by the appellant was treated as remained unexplained and thus sustained by the Ld. NFAC in first appeal.



7. To vacate the remaining addition sustained in first appeal by the Ld. NFAC, the appellant produced the copy of (i) provisional GST registration granted vide certificate dt. 07/09/2019 (ii) Regular GST registration granted vide certificate dt. 18/04/2017 (iii) copies of invoices raised w.e.f. 07/09/2019 (iv) copies of GST return furnished for the year under consideration etc. Except the provisional GST registration certificate all former documents were laid before the tax authorities below. In the course of hearing, when these documents along with the cash sales summary were perused to confirm corresponding initial cash deposit entry, it revealed that the initial cash deposit of ₹9,35,000/- made on 19/09/2017 was disbelieved as arising out of cash sales proceeds from the grocery business because the regular GST registration certificate was issued to the appellant though effective from 07/09/2017 but was came to be issued to the appellant on 18/04/2018. The appellant through provisional GST registration certificate issued to him on the even date of application made dt. 07/09/2017 to the CBEC, has been convincingly successful in showcasing that, right from the issue of provisional registration the appellant was allowed to use the GST No allotted to him provisionally



and further allowed to carry on the stated business. The cash sales invoices raised commencing from 07/09/2017 till the initial cash deposit made into bank account are evidently sufficient to establish such cash represent 'sales proceeds/realisation' and were from the 'carrying out the regular grocery business'. Nothing contrary was either witnessed during the proceedings before both the tax authorities below or remotely brought by the Revenue in the course of present proceedings to deadlight the former findings. In our view the burden of proof casted upon the appellant to prove nature & source of initial cash deposit has been satisfactorily discharged, therefore placing reliance on '*Kale Khan Mohammad Hanif Vs CIT*' [1963, 50 ITR 1(SC)] we vacate the balance addition sustained in first appeal. The substantive grounds thus stand allowed accordingly.

8. The appeal of the assessee in result stands ALLOWED.

In terms of rule 34 of ITAT Rules, 1963 the order pronounced in the open court on date mentioned herein before.

-S/d-
PAVAN KUMAR GADALE
JUDICIAL MEMBER

-S/d-
G. D. PADMAHSHALI
ACCOUNTANT MEMBER

Panaji/Dt: 26th August, 2025.

Copy of the Order forwarded to :

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| 1. The Appellant. | 2. The Respondent. | 3. The CIT(A)/NFAC Concerned |
| 4. PCIT Concerned | 5. DR, ITAT, Panaji Bench, Goa | 6. Guard File |

By Order,
Sr. Private Secretary / AR ITAT, Panaji.