



IN THE INCOME TAX APPELLATE TRIBUNAL, RAJKOT BENCH, RAJKOT

BEFORE DR. ARJUN LAL SAINI, ACCOUNTANT MEMBER

AND

SHRI DINESH MOHAN SINHA, JUDICIAL MEMBER

आयकरअपीलसं./ITA No. 737/RJT/2024

(निर्धारणवर्ष / Assessment Year: (2017-18)

(Hybrid Hearing)

Nasiruddin Sharif Khimani Ward 11., Dharmeshwar Road Gopnath Plot Porbandar 360575, Gujarat India	Vs.	ITO Ward – 2(3), Kuber Landmark, SVP Road, Porbandar 360575
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: AIOPK0305J		
(Appellant)		(Respondent)

Appellant by : Shri Divyesh Sodha, Ld. AR
Respondent by : Shri Abhimanyu Singh Yadav, Ld. Sr. DR
Date of Hearing : 30/07/2025
Date of Pronouncement : 27/10/2025

आदेश / ORDER

PER DINESH MOHAN SINHA, JM:

Captioned appeal filed by the assessee, pertaining to Assessment Year 2017-18, is directed against the order passed under section 250 of the Income Tax Act, 1961 (hereinafter referred to as “the Act”) by National Faceless Appeal Centre (NFAC), Delhi/Commissioner of Income-tax (Appeals), dated 27.06.2024, which in turn arises out of an order passed by the Assessing Officer u/s 143(3) of the Act, on 10.12.2019.

2. The Grounds of appeal raised by the assessee are as follows:

1. The Ld. AO is not justified in making addition u/s 69A with just a stretch of imagination that keeping huge cash on hand is not justifiable without bringing anything on record which may prove that assessee has spend the amount withdrawn.



2. *The appellant craves leave to add, amend, alter, withdraw any grounds of appeal any time upto the hearing of appeal.*

3. Brief facts of the case that the assessee file return of income for A.Y. 2017-18 on 18/07/2017 declaring net income of Rs. 2,08,010/- The case was selected because of large cash deposited in Bank. The assessee has submitted the reply to the notice issued by AO from time to time and in the replied the assessee has explained source cash deposit. The assessee has taken the loan from LIC for an amount to Rs. 12,50,000/- for medical treatment the same money was withdrawn for the bank and subsequently the same amount was deposit with the SBI Bank & ICICI Bank Porbandar, Gujarat. That the A.O. has made an addition in total income of Rs.8,50,000/- u/s 69A of the Act as unexplained money by passing an order dated 10-12-2019.

4. The assessee filed an appeal against the order of assessment before Ld. CIT(A), which was dismissed by the Ld.CIT(A).

5. Against the impugned order dated 27-06-2024, the assessee filed an appeal and challenged the legality and validity of the order before this Tribunal.

(i) During the course of hearing, the Ld. A.R. of the assessee submitted that a loan was taken from LIC of Rs.1,25,000/- and same money was withdrawn and then deposited with the bank.

(ii) On the other hand, the ld. D.R. of the revenue has relied on the order of the Ld. CIT(A).

6. We have heard both the parties and perused the material available on record. We note that the case was selected from scrutiny on the ground:

“Large value cash deposits during demonetization period as compared to returned income”