

**IN THE INCOME TAX APPELLATE TRIBUNAL,
DELHI BENCH: "SMC" NEW DELHI**

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER

ITA No.6384/Del/2025
Assessment Year: 2017-18

Sh. Dhruv Singhal, 293, AGCR Enclave, Opp. Priya Enclave, Yojna Vihar, Delhi	Vs.	Income Tax Officer, Ward-58(6), Delhi
PAN: FMQPS8732E		
(Appellant)		(Respondent)

Assessee by	None
Department by	Sh. Manoj Kumar, Sr. DR

Date of hearing	25.11.2025
Date of pronouncement	25.11.2025

ORDER

This assessee's appeal for assessment year 2017-18, arises against the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre [in short, the "CIT(A)/NFAC"], Delhi's DIN and order no. ITBA/NFAC/S/250/2025-26/1079533095(1), dated 12.08.2025 involving proceedings under section 143(3) of the Income-tax Act, 1961 (hereinafter referred to as 'the Act').

Case called twice. None appears at the assessee's behest. He is accordingly proceeded *ex-parte*.

2. The Revenue next vehemently submits that both the learned lower authorities' respective findings in assessment order dated

06.12.2019 as well as in the lower appellate discussions have rightly held the assessee's impugned cash deposits of Rs.24.80 lakhs made during demonetization; as unexplained under section 69A and liable to be assessed under section 115BBE of the Act.

2. I have given my thoughtful consideration to the assessee's and the Revenue's vehement respective stands. It transpires during the course of hearing that there does not seem to be much a dispute about the assessee all along engaged in the business of trading BOPP and polyster films etc. This indeed coupled with the fact that he had filed his relevant supportive evidence as well explaining the impugned cash deposits as part of the sales turnover and previous withdrawals, which has not discharged his onus to the entire satisfaction of both the learned lower authorities. Faced with this situation and in the larger interest of justice, it is deemed appropriate that a *lumpsum* profit estimation of the assessee's impugned cash deposits @ 8 % would be just and proper with a rider that the same shall not be treated as a precedent. Necessary computation shall follow as per law.

3. So far as assessee's assessment under section 115BBE is concerned, I quote S.M.I.L.E. Microfinance Ltd. Vs. ACIT, W.P. (MD)

No.2078 of 2020 & 1742 of 2020, dated 19.11.2024 (Madras) that the impugned statutory provision would come into effect on the transaction done on or after 01.04.2017 only. The assessee is accordingly directed to be assessed under the normal provision as per law.

4. This assessee's appeal is partly allowed.

Order pronounced in the open court on 25th November, 2025

**Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER**

Dated: 3rd December, 2025.

RK/-

Copy forwarded to:

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

Asst. Registrar, ITAT, New Delhi