

**IN THE INCOME TAX APPELLATE TRIBUNAL,  
"G", BENCH, DELHI**

**BEFORE: SHRI ANUBHAV SHARMA, JUDICIAL MEMBER &  
SHRI. KRINWANT SAHAY, ACCOUNTANT MEMBER**

ITA No. 5816 /Del/2024  
Assessment Year : 2009-10

Salim S/o Shri Kamrudin Rajkumar Chhoker, Advocate, Shop No. 03, Geeta Mandir Road, Panipat, Haryana-132103	Vs.	The ITO Ward-04, Panipat
PAN NO: FMYP0280M		
Appellant		Respondent

Assessee by : None  
Revenue by : Shri Manish Gupta, Sr. DR

Date of Hearing : 22/09/2025  
Date of Pronouncement : 30/12/2025

**Order**

**PER KRINWANT SAHAY, A.M:**

This is an appeal filed by the Assessee against the order of the Ld. CIT(A)/NFAC, Delhi dt 14/08/2024 for the Assessment Year 2009-10.

2. In the present appeal Assessee has raised the following grounds:

1. That the assessee has not received any notice for the Asstt year 2009-10. The AO has wrongly completed the scrutiny Asstt u/s 144 of income tac act 1961. So the Assessment u/s 144 as best judgment Assessment are illegal unjustified & against the nature of law

2. That the AO has made Addition on account of cash deposit in bank account no 240010100113625 maintained with Axis Bank GT Road Panipat and cash has been deposited Rs. 18213081 in different date and in large amount which the assessee has received out of sale of consideration of his agriculture land which is wrong & unjustified.

3. That the Ao has assumed total cash deposit of agriculture land sale as income and addition is illegal & unjustified.

*4. That the LD AO is mistaken in taking the total cash deposit in bank assumed as income while the cash deposit and withdrawal were out of sale agriculture land of the Assessee.*

*5. The Order is Learned A.O is bad in Law and is Liable to be quashed.*

*6. The Appellant craves to alter, Modified, Add or Delete any Grounds of Appeal aforesaid.*

*Hence the order is liable to be quashed.*

3. Briefly the facts of the case are that the reassessment proceedings were initiated on the basis of information received by the Assessing Officer that the assessee had deposited cash amounting to Rs.1,00,00,000/- in his savings bank account during the Financial Year 2008-09. The assessee failed to explain the source of the said cash deposit despite being called upon vide letter dated 18.01.2016 and also did not file a return of income under section 139. Accordingly, the AO formed a belief that income chargeable to tax had escaped assessment and issued notice under section 148 of the Act.

3.1 In response to the notice under section 148, the assessee did not file any return of income. Thereafter, notice under section 142(1) dated 26.09.2016 was issued. The assessee attended the proceedings on 13.10.2016, after which the case was transferred to ITO, Ward-4, Panipat. Another notice under section 142(1) was issued on 17.10.2016.

3.2 During the proceedings on 21.10.2016, the assessee submitted that the cash deposited in the bank account represented sale proceeds of agricultural land sold during F.Y. 2008-09 by him and his family members. He furnished photocopies of three sale deeds, two of which reflected joint ownership with Shri Asgar. The assessee's share from the sale proceeds of these two properties was worked out at Rs.16,03,500/-. The assessee was required to furnish affidavits from family members regarding deposit of their respective shares in his bank account, source of such deposits, return of income, and explanation for bank interest income of Rs.33,699/-. However, the assessee neither complied nor attended the proceedings thereafter.

3.3 As there was continued non-compliance, a show cause notice dated 08.11.2016 was issued proposing an ex-parte assessment under section 144, proposing additions towards unexplained cash deposit, interest income, and deposits made by third parties. The assessee failed to respond to the show cause notice as well.

3.4 The AO observed that the total amount deposited in the assessee's bank account during F.Y. 2008-09 aggregated to Rs.1,98,16,581/-, comprising Rs.70,00,000/- deposited by Shri Manjeet Kumar, Rs.28,16,581/- deposited by Shri Manish Kumar on 03.06.2008, and Rs.1,00,00,000/- deposited in cash on 20.11.2008.

3.5 The AO accepted the assessee's claim to the extent of Rs.16,03,500/- being his share of agricultural land sale proceeds. However, the assessee failed to substantiate the source of the remaining deposits amounting to Rs.1,82,13,081/- despite several opportunities. No supporting evidence or confirmations were furnished in respect of deposits made by third parties or remaining cash deposits.

3.6 Accordingly, the AO treated the unexplained amount of Rs.1,82,13,081/- as unexplained money under section 69A of the Act and added the same to the total income. Further, bank interest income of Rs.33,699/- not offered to tax was added as income from undisclosed sources.

3.7 The total income of the assessee was thus assessed at Rs.1,82,46,780/-. Penalty proceedings under section 271(1)(c) were initiated for concealment of income, penalty notice under section 274 read with section 271(1)(b) was issued for non-compliance, and interest under sections 234A and 234B was charged.

4. Against the order of the AO the assessee went in appeal before the Ld. CIT(A). The Ld. CIT(A) first adjudicated the procedural grounds raised by the assessee.

4.1 The contention of the assessee that no notice was served during the assessment proceedings was rejected, as it was evident from the assessment records that the assessee had responded to the notice issued under section 148 and had also appeared before the Assessing Officer during the course of assessment proceedings. Accordingly, the procedural grounds were dismissed.

4.2 With regard to the additions made by the AO, the Ld. CIT(A) admitted the additional evidence filed by the assessee, namely affidavits of the assessee and his family members, viz., Shri Asgar, Smt. Rahisa and Smt. Imrana, along with an Ikramnama, in the interest of justice. However, the remand report submitted by the AO objected to the admission of such evidence on the ground that the assessee had been afforded sufficient opportunities during the assessment proceedings, which were deliberately not availed.

4.3 On merits, while adjudicating Grounds No. 2 to 4 relating to addition on account of unexplained cash deposits, the Ld. CIT(A) considered the assessee's explanation that the deposits represented sale proceeds of agricultural land sold by the assessee and his family members. The Ld. CIT(A) accepted the sale deeds as genuine and found that the total sale consideration received from such transactions amounted to Rs.60,57,000/-.

4.4 However, the claim of the assessee that the entire amount of Rs.1,98,16,581/- deposited in the bank account had arisen from the said land transactions was not accepted. The affidavits stating receipt of amounts over and above the recorded sale consideration were rejected, as there was no material on record to establish that any amount in excess of Rs.60,57,000/- was received. Further, no confirmation was furnished from the purchasers to support the claim that the total consideration paid was Rs.1,98,16,581/-.

4.5 Accordingly, the Ld. CIT(A) accepted the source of bank deposits only to the extent of Rs.60,57,000/-, being the documented sale consideration, and confirmed the addition for the balance amount of Rs.1,37,59,581/- (Rs.1,98,16,581/- minus Rs.60,57,000/-) as unexplained credit. Grounds No. 2 to 4

were thus partly allowed. In totality the Ld. CIT(A) partly allowed the appeal of the assessee.

5. Against the order of the Ld. CIT(A) the assessee preferred in appeal before the Tribunal.

6. During the course of hearing, no one appeared on behalf of the Assessee. However, the Ld. AR submitted written arguments which have been taken on record. The relevant portions of the submissions are reproduced below:

❖ *That the assessment has been framed U/s 144/147 of Income Tax act 1961 on Scrutiny basis dated on 21/11/2016 and creating assessment demand amounting to Rs. 6094445/- and interest amounting to Rs. 10969955/- total demand comes to Rs. 17064400/- in which the total demand are illegal unjustified and against the nature of law.*

❖ *The Appellant has not filed the income tax return against the notice u/s 148 of income tax Act 1961.*

❖ *That the appellant has sold his agriculture land measuring 64k-10m for amounting to Rs. 11698680/- dated on 03/06/2008 to Smt. Chhoto mother of Sh. Manish & Manjit Add. VPO Chhara, Distt. Jhajjar (Hr.). That the Assessee has made a byana/advance deed of the above said agriculture land in the name of Sh. Manish S/o Sh. Suraj Mai, Add. VPO Chhara, Distt. Jhajjar. But sh. Manish Kumar has registered the above said agriculture land in the name of his mother Smt. Chhoto Devi because the stamp duty was low as women then man.*

❖ *That the Assessee wife Smt. Imrana and his brothers wife Smt. Rahisa has been sold her agriculture land which is situated at village Rana Majra measuring 50K-13M to Smt. Sunita W/o Sh. Sumer Singh Add. Village Nangal Kalan Distt. Sonapat Amounting to Rs. 10200000 dated on 20/11/2008. They have made a Byana/Advance deed dated on 15/11/2008 and received cash Rs. 200000/- and registry of this agriculture land date was fixed on 20/11/2008. At the time of registry the seller has received balance payment Rs. 10000000/- as cash and deposited her husband (Assessee) saving bank A/c no. 240010100113625 as cash same day. Because assessee wife and his brother wife has no any bank A/c and they were lived as joint Family. The Copy of Affidavit of assessee brothers & his wife and assessee wife are enclosed with this Appeal.*

*That the Assessee and his family are agriculturist by profession and not having any business income and they have sold their agriculture land and received sale consideration in the Assessee bank A/c. So, the deposit in the Assessee bank A/c are his agriculture sale consideration not an unexplained income.*

7. Per contra, the Ld. DR relied upon the order of the lower authorities.

8. We have heard the Ld. DR and perused the material available on record and carefully considered the orders of the lower authorities.

8.1 At the outset, as regards the procedural grounds raised by the assessee alleging non service of notice and illegality of assessment framed under sections 144/147 of the Act, we find no merit in the same. The records clearly demonstrate that the assessee had responded to the notice issued under section 148 and had also appeared before the Assessing Officer during the reassessment proceedings. Further, notices under section 142(1) were duly issued and served. The subsequent non-compliance on the part of the assessee compelled the Assessing Officer to complete the assessment under section 144 of the Act. Therefore, we find no infirmity in the reassessment proceedings or in the action of the Assessing Officer in framing the assessment under section 144. The findings of the Id. CIT(A) on this issue are well reasoned and are hereby upheld.

8.2 Coming to the merits of the addition on account of cash deposits, it is an undisputed fact that a total amount of Rs.1,98,16,581/- was deposited in the assessee's bank account during the relevant previous year. The assessee claimed that the entire deposits represented sale proceeds of agricultural land belonging to him and his family members. The Id. CIT(A), after admitting the additional evidence in the interest of justice, has examined the sale deeds, affidavits and other material on record. On such examination, the Id. CIT(A) accepted the genuineness of the sale deeds and held that the documented sale consideration received from such land transactions aggregated to Rs.60,57,000/-.

8.3 However, the Id. CIT(A) rightly rejected the assessee's claim that amounts over and above the recorded sale consideration were received in cash. The affidavits filed by the assessee and his family members, alleging receipt of unrecorded consideration, were not supported by any corroborative evidence. No confirmation from the purchasers of land was furnished to establish that the total consideration paid was Rs.1,98,16,581/- as claimed. In the absence of any documentary or independent evidence, the explanation of the assessee remained unsubstantiated.

8.4 It is a settled position of law that the onus lies on the assessee to satisfactorily explain the nature and source of cash deposits found credited in his bank account. Mere filing of self-serving affidavits, without any supporting evidence, cannot discharge this burden. The Ld. CIT(A), in our considered view, has taken a balanced and judicious approach by granting relief to the extent of the documented sale consideration and confirming the addition only in respect of the unexplained balance amount of Rs.1,37,59,581/-.

8.5 We find that the findings recorded by the Ld. CIT(A) are based on proper appreciation of facts and evidence on record. The assessee has not brought before us any material to controvert the conclusions drawn by the Ld. CIT(A) or to demonstrate that the impugned addition has been sustained arbitrarily or without basis.

8.6 In view of the above discussion, we see no reason to interfere with the order of the Ld. CIT(A). Accordingly, the order of the Ld. CIT(A) is upheld and all the grounds raised by the assessee are dismissed.

9. In the result, appeal of the Assessee is dismissed.

Order pronounced in the open Court on 30.12.2025

**Sd/-**  
**(ANUBHAV SHARMA)**  
**JUDICIAL MEMBER**

**Sd/-**  
**(KRINWANT SAHAY)**  
**ACCOUNTANT MEMBER**

**AG**

Copy of the order forwarded to :

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

Assistant Registrar  
ITAT, NEW DELHI