

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

**Before Sh. Satbeer Singh Godara, Judicial Member
&
Sh. Amitabh Shukla, Accountant Member**

ITA No. 5136/Del/2025 : Asstt. Year : 2017-18

New Bhola Sons Jewellers, C/o L N Nangalya & Co., Chartered Accountants, D-66, Vivek Vihar, New Delhi-110095	Vs	Income Tax Officer, Ward-59(6), New Delhi-110002
(APPELLANT)		(RESPONDENT)
PAN No. AAFN6333A		

**Assessee by : Sh. Neeraj Mangla, CA
Revenue by : Ms. Ankush Kalra, Sr. DR**

Date of Hearing: 15.01.2026	Date of Pronouncement: 15.01.2026
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ORDER

Per Satbeer Singh Godara, Judicial Member:

This assessee's appeal for Assessment Year 2017-18, arises against the CIT(A)/NFAC, Delhi's DIN & order No. ITBA/NFAC/S/250/2025-26/1077725672(1) dated 24.06.2025, in proceedings u/s 143(3) r.w.s. 250 of the Income Tax Act, 1961 (in short "the Act").

2. Heard both the parties at length. Case file perused.
3. The assessee/appellant before us raises his sole substantive grievance that both the learned lower authorities have erred in law and on facts in treating his cash deposits during demonetization amounting to Rs.73,30,000/- as

unexplained in assessment order dated 11.12.2019 as upheld in the lower appellate discussion.

4. We have given our thoughtful consideration to the assessee's and the Revenue's respective vehement submissions. There is hardly any dispute between the parties that the assessee/appellant is a firm engaged in jewellery business who had pleaded cash in hand in jewellery business of Rs.73,15,468/- from jewellery business as on 09.01.2016. It had further filed all the relevant details of the cash sales from April 2016 to March 2017 as well to explain source of the impugned cash deposits as regular business turnover only. The fact however remains that the assessee could not plead and prove all of his foregoing pleadings along with evidence to the entire satisfaction of both the learned lower authorities. We are accordingly of the considered view that a lump sum GP estimation addition of Rs.5,00,000/- as the assessee's business income in these peculiar facts would be just and proper with a rider that the same shall not be treated as a precedent. The assessee's corresponding book entries are accordingly rejected to this extent. The impugned addition of Rs.73,30,000/- is deleted to the tune of Rs.68,30,000/- in other words.

5. So far as assessee's assessment under Section 115BBE is concerned, we quote S.M.I.L.E Microfinance Limited Vs. The

ACIT CC-1 in W.P.(MD) No.2078 of 2020 & W.M.P. (MD) No. 1742 of 2020 held that the said provision applied for transactions done on or after 01.04.2017 only. The assessee is accordingly directed to be assessed under normal provisions only.

6. This assessee's appeal is partly allowed.

Order Pronounced in the Open Court on 15/01/2026.

Sd/-

(Amitabh Shukla)
Accountant Member

Dated: 15/01/2026

Subodh Kumar, Sr. PS

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-

(Satbeer Singh Godara)
Judicial Member

ASSISTANT REGISTRAR