

**IN THE INCOME TAX APPELLATE TRIBUNAL  
SURAT BENCH, SURAT**

**BEFORE DR. B.R.R. KUMAR, VICE-PRESIDENT  
MS. SUCHITRA KAMBLE, JUDICIAL MEMBER**

I.T.A. No. 1337/SRT/2024  
(Assessment Year: 2007-08)

Sureshbhai Popatlal Patel, L/H of Sohankumar Sureshkumar Patel, Flat No. 103, Rajlaxmi Coop. Hsg. Soc. Ltd., Kaparali Road, Vapi Near Gunjan Cinema, Tal. Pardi Vapi, Dist. Valsad-396191  [PAN : AILPP 2306 H]	Vs.	Income Tax Officer, Ward 8, Vapi
<b>(Appellant)</b>	..	<b>(Respondent)</b>
<b>Appellant represented by :</b>	Shri Suresh K. Kabra, CA	
<b>Respondent represented by:</b>	Shri Ashish Kumar, Sr DR	
<b>Date of Hearing</b>	21.01.2026	
<b>Date of Pronouncement</b>	23.01.2026	

**ORDER**

**PER DR. B.R.R. KUMAR, VICE-PRESIDENT:-**

This appeal has been filed by the assessee against the order dated 29.10.2024 passed by the Ld. Addl/JCIT(A)-10, Mumbai (hereinafter referred to as the "Ld. CIT(A)"), under Section 250 of the Income-tax Act, 1961 (hereinafter referred to as the "Act") for Assessment Year 2007-08.

2. The solitary grievance raised by the assessee is as follows:-

*"The Ld. CIT(A), NFAC has erred and was not just and proper on the facts of the case and in law in confirming the addition of Rs.7,83,000/- u/s 69A of the Income-tax Act."*

3. The brief facts of the case are that the assessee assessee filed his return of income for A.Y. 2007-08 declaring total income of Rs. 77,466/- on 16.10.2007.

Subsequently, based on information received, the Assessing Officer reopened the assessment under section 147 of the Act on the allegation that the assessee had advanced cash loans amounting to Rs. 10,00,000/- to one Shri Kamlesh Ramniklal Shah. During reassessment proceedings, the Assessing Officer observed that an amount of Rs. 5,87,000/- was stated to have been received by the assessee in cash from friends and relatives, and cash deposits of Rs. 1,96,000/- was found in the assessee's bank account. As the assessee could not furnish confirmations, PAN details, or documentary evidence regarding the alleged cash receipts from friends and relatives, the Assessing Officer treated the aggregate amount of Rs. 7,83,000/- as unexplained money u/s 69A of the Act and added the same to the total income.

4. Aggrieved by the order of the Assessing Officer, the assessee filed an appeal before the Ld. CIT(A), who confirmed the addition, holding that the assessee failed to discharge the onus of explaining the source of the impugned amount.

5. Aggrieved by the order of the Ld. CIT(A), the assessee is now in appeal before the Tribunal.

6. Before us, the Ld. AR submitted an affidavit filed by the legal heir of the assessee wherein it was submitted that the finding of the Assessing Officer that the assessee had advanced Rs. 10,00,000/- is factually incorrect. It was contended that the total loan of Rs. 10,00,000/- was jointly given by the assessee and Shri Natvarlal Haribhai Patel, each contributing Rs. 5,00,000/- and out of the assessee's share of Rs. 5,00,000/-, an amount of Rs. 4,13,000/- was withdrawn from the bank account, which fact has been accepted by the Assessing Officer. It was also submitted that balance amount of Rs. 87,000/- was paid out of earlier years' savings. Regarding the addition of Rs. 1,96,000/- on account of cash deposits, it is submitted that the same represents agricultural income; to

substantiate the claim the copies of 7/12 land records were furnished before the revenue authorities.

7. The Ld. DR, on the other hand, supported the orders of the authorities below.

8. We have heard the rival contentions and perused the material available on record. At the outset, it is an undisputed fact that the Assessing Officer himself has accepted the withdrawal of Rs. 4,13,000/- from the assessee's bank account as explained. Thus, the dispute essentially relates to (i) Rs. 87,000/- claimed to have been paid out of earlier savings, and (ii) Rs. 1,96,000/- deposited in the bank account.

8.1 With respect to the amount of Rs. 87,000/-, we find force in the contention of the assessee that a salaried individual having an agricultural background could reasonably have accumulated such savings over a period of time. The amount involved is relatively small and pertains to a period long back. In such circumstances, the explanation cannot be rejected merely for want of documentary evidence, especially when the assessee is no longer alive and the proceedings are being pursued by the legal heir.

8.2 As regards the cash deposits of Rs. 1,96,000/-, the assessee had placed before the revenue authorities the copies of 7/12 land records, as mentioned in the Ld. CIT(A)'s order at page No. 5, evidencing agricultural land holdings of the assessee. No material has been brought on record by the Revenue before us to controvert the claim that the deposits emanated from agricultural income. In the absence of any contrary evidence, the explanation offered by the assessee deserves acceptance.

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9. In view of the above as also considering the totality of facts and circumstances of the case, we are of the considered view that the addition of Rs. 7,83,000/- u/s 69A is not sustainable.

10. In the result, the appeal of the assessee is allowed.

**This order is pronounced in the open Court on 23.01.2026**

Sd/-

**(SUCHITRA KAMBLE)  
JUDICIAL MEMBER**

Surat; Dated 23/01/2026

btk

Sd/-

**(DR. B.R.R. KUMAR)  
VICE-PRESIDENT**

**आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त (अपील)/ The CIT(A)-
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण ,/DR,ITAT, Surat,
6. गार्ड फाईल /Guard file.

**आदेशानुसार/ BY ORDER,**

**TRUE COPY**

**सहायक पंजीकार (Asstt. Registrar)  
आयकर अपीलीय अधिकरण  
ITAT, Surat**