

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

Before Sh. Satbeer Singh Godara, Judicial Member

ITA No. 8416/Del/2025 : Asstt. Year: 2017-18

Sh. Raj Kumar Aggarwal, 36A, Gobind Mohalla, Haider Pur, New Delhi-110088	Vs	Income Tax Officer, Ward-36(2), New Delhi
(APPELLANT)		(RESPONDENT)
PAN No. AINPA4170E		

**Assessee by: Ms. Shilpa Gupta, CA &
Sh. Saksham Agarwal, CA
Revenue by : Sh. Manoj Kumar, Sr. DR**

Date of Hearing: 20.01.2026	Date of Pronouncement: 20.01.2026
------------------------------------	--

ORDER

This assessee's appeal for Assessment Year 2017-18 arises against the Addl./JCIT(A)-2, Bengaluru's DIN & order No. ITBA/APL/S/250/2025-26/1082391286(1) dated 07.11.2025, in proceedings u/s 143(3) of the Income Tax Act, 1961 (in short "the Act").

2. Heard both the parties at length. Case file perused.
3. Learned counsel vehemently contends during the course of hearing that both the lower authorities have erred in law and on facts in treating the assessee's cash deposits during demonetization amounting to Rs.14,15,000/- as unexplained cash credits u/s 68 r.w.s. 115BBE of the Act; in assessment order dated 22.12.2019 as upheld in the lower appellate discussion.

4. The Revenue's case on the other hand is that the assessee has failed to prove source of the impugned cash deposits in both the lower proceedings which have resulted in the addition in question made by the learned lower authorities.

5. I have given my thoughtful consideration to the foregoing respective rival submissions raised at the assessee's and the Revenue's behest. A perusal of the case records i.e. para 3.1 page 2 of the assessment order indicates that this assessee is stated to be deriving regular business income from job works in previous assessment year whose details have neither been reconciled or verified in both the lower proceedings. The facts also remains that some inference could indeed be drawn in his favour that he has continued the very business activity in the impugned assessment year as well whose relevant credit could not also denied as well. Be that as it may, it is deemed appropriate in these facts that a lump sum GP @8% on the above cash deposits in the assessee's hands 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.

6. 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.

7. This assessee's appeal is partly allowed.

Order Pronounced in the Open Court on 20/01/2026.

Sd/-
(Satbeer Singh Godara)
Judicial Member

Dated: 20/01/2026

Subodh Kumar, Sr. PS

Copy forwarded to:

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

ASSISTANT REGISTRAR