



**IN THE INCOME TAX APPELLATE TRIBUNAL, SURAT BENCH, SURAT**  
**BEFORE SHRI DIESH MOHAN SINHA, JUDICIAL MEMBER &**  
**SHRI BIJAYANANDA PRUETH, ACCOUNTANT MEMBER**

**आयकरअपीलसं./ITA No. 558/SRT/2025**  
**(निर्धारणवर्ष / Assessment Year: (2017-18)**  
**(Hybrid Hearing)**

Geetaben Thakorbbhai patel D2, Jalaram Society, Piplod, Surat – 395007	<b>Vs.</b>	ITO, Ward 2(3)(3), Surat Current Jurisdiction ITO, Ward 2(3)(4), Surat
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: <b>APSPP3192F</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

Appellant by : Shri Mehul Shah, CA  
Respondent by : Shri Ajay Uke, Ld. Sr. DR

**Date of Hearing : 04/09/2025**  
**Date of Pronouncement : 01/12/2025**

**आदेश / ORDER**

**PER DINESH MOHAN SINHA, JM:**

Captioned appeal filed by the assessee, pertaining to Assessment Year (AY) 2017-18, is directed against the order passed by the National Faceless Appeal Centre (NFAC) dated 28.04.2025, which in turn arises out of an assessment order dated 09.12.2019 passed by Income Tax Department / Assessing Officer under section (u/s.) 144 of the Income Tax Act, 1961.

2. Grounds of appeal raised by the Assessee are as follows:



*1 On the facts and circumstances of the case as well as law on the subject, the learned CIT(A) has erred in confirming the action of Assessing Officer in making addition of Rs. 10,27,513/-on account of unexplained cash deposit in bank account.*

*2 On the facts and circumstances of the case as well as law on the subject, the learned assessing officer has erred in taxing the addition by taking the rate @77.25% by attracting S. 115BBE instead of taxing as per normal tax slab.*

*3 Even otherwise on the facts and circumstances of the case as well as law on the subject, the assessing officer has erred in taxing the income u/s 115BBE @ 77.25% in a retroactive manner by applying the duly substituted S.115BBE inserted retrospectively instead of taxing it at 35.54 % as per the old provisions of S. 115BBE.*

*4 It is therefore prayed that above assessment framed u/s. 144 may kindly be quashed and/or the additions made by the assessing officer and confirmed by the learned CIT(A) may please be deleted*

*5. Appellant craves leave to add, alter or delete any ground(s) either before or in the course of hearing of the appeal.*

### 3. Facts of the Case:-

Brief facts of the case involve that, appellant has filed her ROI as applicable for the A.Y. 2017-18 and the same has been selected for scrutiny involving the period of demonetization. During scrutiny, AO observed that appellant is involved in making substantial cash deposits in her bank account totaling to Rs. 10.27 lakhs as explained in the assessment order and with reference to the same AO has sought for appellant explanation for its verification of sources as per law. Accordingly as appellant is non responsive to explain the sources of cash deposits as called for u/s. 142(1) of I.T. Act, AO has initiated consequential penalty proceedings as applicable u/s. 272A(1)(d) of I.T. Act for necessary compliance as needed as per law. In the absence of any compliance even after issue of penalty notice, AO concluded the assessment as involving best judgement assessment u/s. 144 of I.T. Act by treating the entire cash deposits as unexplained u/s. 69A of I.T.



Act vide order of AO dated 09.12.2019. Similarly, AO concluded penalty proceedings u/s. 272A(1) (d) of I. T. Act as reasoned in the penalty order resulting in levy of penalty as per law vide order of AO dated 24.10.2019.

4. The assessee has filed an appeal before the Ld. CIT(A), The Ld. CIT(A) has dismissed the appeal by order dated 28.04.2025.

5. The assessee is in appeal before this tribunal against the impugned order dated 28.04.2025.

5.1. The Ld. AR of the assessee submitted that assessee has submitted all detail in respect of cash deposit. Bank passbook also produced in form of paper book and prayed for an opportunity to explain the case.

5.2. On the contrary Ld. DR of the revenue has submitted that due notices was given by assessing officer, But there was no response by the assessee.

6. We have heard the matter and perused material available on record and also perused the order of lower authority. We note that during appellate proceedings the assessee has filed details of cash withdrawal and deposit with Surat District Co. Operative bank that the account is jointly held by the assessee and her husband. And has made withdrawal. It was further submitted by the assessee that out of cash withdrawal the amount was deposited during demonetization period. That a notice was issued to assessee u/s 131 dated 23.03.2017. The assessee has submitted response to the cash transaction, Copy of return of income, computation of total income, Sales deed of property, survey no. R.S. 530 of Moje Village vesu. T.P – No. 7, Magdalla, Surat. Bank statement of state bank of India (Account No. 35731302207). Bank passbook of Bank of India (Account No. 275410100003794). Bank passbook of Surat District Co-operative Bank Ltd. (Account No. 10/3106) were submitted in form of paper book. The assessee's husband expired on 16.05.2015. These all detail required reconsideration and



verification. We note that the assessment was completed u/s 144 of the Act. In the interest of justice and fair play, the assessee deserves for an opportunity to file All relevant document before the lower Authority. Therefore, we are of the View that one more opportunity should be given to assessee to present this case before the lower authority. We quash the order of Ld. CIT(A) dated 28.04.2025 and we remand the matter back to the file of AO for fresh adjudication on merit. After giving due opportunity to be heard to the assessee. Assessee is directed to comply with the notice issued by AO.

7. In the result, the appeal of the assessee is allowed, for statistical purposes.

**Order pronounced in the open court on 01/12/2025.**

**Sd/-  
(BIJAYANANDA PRUSETH)  
ACCOUNTANT MEMBER**

**Sd/-  
(DINESH MOHAN SINHA)  
JUDICIAL MEMBER**

Rajkot

दिनांक/ Date: 01/12/2025

**Copy of the Order forwarded to**

1. The Assessee
2. The Respondent
3. The CIT(A)
4. Pr. CIT
5. DR/AR, ITAT, Surat
6. Guard File

By Order

Assistant Registrar/Sr. PS/PS  
ITAT, Surat