

**IN THE INCOME TAX APPELLATE TRIBUNAL,
DEHRADUN “SMC” BENCH, DEHRADUN**

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI MANISH AGARWAL, ACCOUNTANT MEMBER
(Through Video Conferencing)**

ITA No.202/DDN/2025
Assessment Year: 2017-18

Sh. Ankit Agrawal, 31-32, Shyampurua Niwas, Model Colony, Rudrapur, Udham Singh Nagar, Uttarakhand	Vs.	Assistant Commissioner of Income Tax, Circle-2(1)(1), Haldwani
PAN :AJRPA0797N		
(Appellant)		(Respondent)

Assessee by	Sh. Abdullah Mstaqeem, Adv.
Department by	Sh. A.S. Rana, Sr. DR

Date of hearing	15.01.2026
Date of pronouncement	15.01.2026

ORDER

PER SATBEER SINGH GODARA, JM:

This assessee's appeal for assessment year 2017-18, arises against the Commissioner of Income Tax (Appeals)/Addl./JCIT(A)-2, Chennai's order dated 23.09.2025 having DIN and order no. ITBA/APL/S/250/2025-26/1081048847(1), involving proceedings under section 143(3) of the Income-tax Act, 1961 (hereinafter referred to as 'the Act').

Heard both the parties. Case file perused.

2. The assessee's/appellant's sole substantive ground herein is directed against the CIT(A)'s lower appellate discussion partly upholding the Assessing Officer's assessment findings treating his cash deposits of Rs.16.56 lakhs as unexplained to the tune of Rs.16.44 lakhs in issue.

3. Both the learned representatives vehemently reiterate their respective stands against and in support of the impugned addition. There does not appear to be much a dispute between the parties that the assessee/appellant is engaged in the business of trading in food grains in the name and style of M/s. Singhal Agro Products, who had also declared his income of Rs.17,50,250/-. That being the case, the necessary inference which would *prima facie* arise is that although he has failed to plead and prove the corresponding reconciliation and verification of the impugned cash deposits as forming part of business turnover/cash sales to the entire satisfaction of both the learned lower authorities; its credit could not be denied to him as well.

4. Faced with this situation, we deem it appropriate in these peculiar facts that a *lumpsum* addition of Rs. 1 lakh only in the

assessee's hands would be just and proper with a rider that the same shall not be treated as a precedent. The assessee gets relief of Rs.15.44 lakhs in other words.

5. So far as assessee's assessment under section 115BBE is concerned, we quote S.M.I.L.E. Microfinance Ltd. Vs. ACIT, W.P. (MD) No.2078 of 2020 & 1742 of 2020, dated 19.11.2024 (Madras) that the impugned statutory provision would come into effect on the transaction done on or after 01.04.2017 only. The assessee is accordingly directed to be assessed under the normal provision as per law.

6. This assessee's appeal is partly allowed.

Order pronounced in the open court on 15th January, 2026

Sd/-
(MANISH AGARWAL)
ACCOUNTANT MEMBER

Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER

Dated: 5th February, 2026.

RK/-

Copy forwarded to:

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

Asst. Registrar, ITAT, New Delhi