

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

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER

ITA No.7457/Del/2025
Assessment Year: 2017-18

Inderjeet Kaur, B-122, Ashoka Enclave, Paschim Vihar, New Delhi	Vs.	Income Tax Officer, Ward-71(3), New Delhi
PAN: AIJPK9131D		
(Appellant)		(Respondent)

Assessee by	Sh. G.S. Kohli, CA
Department by	Sh. Manoj Kumar, Sr. DR

Date of hearing	21.01.2026
Date of pronouncement	21.01.2026

ORDER

This assessee's appeal for assessment year 2017-18 arises against the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre [in short, the "CIT(A)/NFAC"], Delhi's DIN and order no. ITBA/NFAC/S/250/2025-26/1082168645(1), dated 30.10.2025 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. Coming to the first and foremost issue between the parties, it emerges during the course of hearing that both the learned lower authorities have added the assessee's cash deposits in her current

bank account amounting to Rs.2.45 lakhs as unexplained in assessment order dated 23.12.2019 as upheld in the lower appellate discussion.

3. That being the case, the assessee has invited the tribunal's attention to her bank statement indicating withdrawals of Rs.3.70 lakhs in the month of November, 2016 itself; prior to demonetization, which followed the impugned deposits forming subject matter of addition. Necessary inference which would arise herein is that the assessee has redeposited her cash withdrawals which could not have been treated as unexplained. The impugned addition of Rs.2.45 lakhs is deleted therefore.

4. Next comes the second substantive issue of correctness of the learned lower authorities' action assessing the assessee @ 8% of GP on alleged gross sales amounting to Rs.2,30,94,057/-. It is noticed that neither both the learned lower authorities have compared any segmental results in the assessee's line of business, nor any justification is found for assessing her at such an exorbitant profit rate of 8% given the fact that she is engaged in the retail trading which might not carry that such higher profits. It is thus deemed appropriate that a lumpsum addition of Rs.8 lakhs only in the given

facts would be just and proper with a rider that the same shall not be treated as a precedent. The assessee gets relief of Rs.10,47,524/- lakhs in other words.

5. So far as assessee's assessment under section 115BBE is concerned, I 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 21st January, 2026

Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER

Dated: 9th February, 2026.

RK/-

Copy forwarded to:

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

Asst. Registrar, ITAT, New Delhi