

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

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER**

ITA No.8632/Del/2025  
Assessment Year: 2017-18

Sh. Dharmender Grewal, Prop. Grewal Paint, Gohana Road, Sonapat, Haryana, Sonipat, Haryana	<b>Vs.</b>	Income Tax Officer, Ward-1, Sonipat, Haryana
<b>PAN: APPPD4136A</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

Assessee by	Sh. Subodh Jain, Adv. Sh. Samyak Jain, CA Sh. Sharad Jain, Adv.
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/250/2025-26/1081914815(1), dated 22.10.2025 involving proceedings under section 144 of the Income-tax Act, 1961 (hereinafter referred to as 'the Act').

Heard both the parties. Case file perused.

2. Coming to the sole substantive issue between the parties, it is noticed that both the learned lower authorities' respective

assessment and the lower appellate discussion have treated the assessee's cash deposits during demonetization amounting to Rs.18,23,900/- as unexplained all along in assessment order dated 29.12.2019 as upheld in the lower appellate discussion.

3. That being the case, the assessee has invited the tribunal's attention to his trading and profit and loss account for the relevant previous year at page 38 revealing that he had been running a paint shop in the name and style of M/s. Grewal Paints and book sales of Rs.1,30,67,998/-. All these assessee's audited books results have gone unrebutted from the Revenue side. The fact also remains that the assessee does not appear to have satisfactorily discharged his onus of proving source of the impugned cash deposit as part of cash in hand and cash sales made in the relevant previous year. Be that as it may, it is thus deemed appropriate that a lumpsum addition of Rs.1 lakh only would be just and proper with a rider that the same shall not be treated as a precedent. The assessee gets relief of Rs.17,23,900/- in other words.

4. 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.

5. This assessee's appeal is partly allowed.

***Order pronounced in the open court on 21<sup>st</sup> January, 2026***

***Sd/-***  
**(SATBEER SINGH GODARA)**  
**JUDICIAL MEMBER**

Dated: 10<sup>th</sup> February, 2026.

RK/-

Copy forwarded to:

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

Asst. Registrar, ITAT, New Delhi