

आयकर अपीलीय अधिकरण, सूरत न्यायपीठ, सूरत ।
IN THE INCOME TAX APPELLATE TRIBUNAL
SURAT BENCH, SURAT
[conducted through Hybrid mode]

श्री संजय गर्ग, न्यायिक सदस्य एवं
श्री बिजयमन्दप्रुसेथ, लेख सदस्य के समक्ष।

Before Shri Sanjay Garg, Judicial Member And
Shri Bijayananda Pruseth, Accountant Member

आयकर अपील सं./ITA No.885/SRT/2024
निर्धारण वर्ष /Assessment Year : 2011-12

Pragnaben Jayeshbhai Patel 71, Satyanarayan Society Dindoli Surat - 394 210	<u>बनाम/</u> <u>v/s.</u>	The ITO Ward-2(3)(3) Surat
स्थायी लेखा सं./PAN: BCVPP 2891 Q		
(अपीलार्थी/ Appellant)		(प्रत्यर्थी/ Respondent)
Assessee by :	Shri Krutarth Desai, CA	
Revenue by :	Shri Ajay Uke, Sr.DR	

सुनवाई की तारीख/Date of Hearing : 19/11/2025
घोषणा की तारीख /Date of Pronouncement: 17/02/2026

आदेश/ORDER

Per Sanjay Garg, Judicial Member:

The present appeal has been preferred by the assessee against the order of the Learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'CIT(A)'] dated 20/06/2023 for the Assessment Year (AY) 2011-12.

2. The assessee has raised the following grounds of appeal:

"1. In the facts and circumstances of the case, the learned assessing officer has erred in make an addition of Rs. 15,00,000/- without having any foundational facts which leads to reason to believe that income has escaped assessment. It is the settled position of law that only cash deposit is not the ground of initiating assessment as the same is nothing but the inquiry by the learned assessing officer and therefore, notice issued under section 148 deserves to be quashed and set aside.

2. In the facts and circumstances of the case, the learned assessing officer has erred in invoking provisions of section 69A of the act without having regard to the fact that no income could have been earned without incurring expenses. The learned assessing officer has completely disregarded the debit side of the bank statement and made addition which reflects the complete non application of mind by the learned assessing officer and therefore, the addition deserves to be quashed and set aside.

3. In the facts and circumstances of the case, the appellant has made detailed submission along with documentary evidences to show that the appellant is having not having any other sources of income, except the cash withdrawal made from his husband's bank account. The learned assessing officer has passed the order under section 143(3) rws 147 of the act which reflects pre-determined state of mind of the learned assessing officer and therefore, the addition deserves to be quashed and set aside."

3. The brief facts of the case are that assessee is an individual and did not file any return of income for the AY 2011-12 despite making cash deposits to the tune of Rs.15,00,000/- in her saving bank account. Therefore, the case was reopened by the Assessing Officer (AO) u/s 147 of the Act. During the assessment proceedings, the AO provided many opportunities to the assessee to file return of income and explain nature & source of cash deposits. But the assessee remained non-compliant throughout the assessment proceedings. Since the assessee did not furnish any explanation regarding nature & source of deposits made in her bank account during the FY 2010-11, therefore, the assessment proceedings u/s 144 of the Act were completed by the AO passing order dated 31/08/2018 wherein the addition of Rs.15.00,000/- was made as unexplained money u/s 69A of the Act.

4. During the appellate proceedings before the Ld. CIT(A)e, the assessee contended that source of cash deposits made in her bank account were withdrawal from her husband's bank account & all the cash deposited belonged to her husband. The assessee further claimed that cash was withdrawn from her husband's bank account for some personal purpose and

as the same was not met, withdrawn cash was deposited in the bank account of the assessee. In support of her contention, the assessee furnished the written submissions and copy of bank account statements. Since these were the additional documentary evidences not produced before the AO during the assessment proceedings, the same were forwarded by the Ld. CIT(A) to the AO with direction to furnish the remand report. Accordingly, the AO verified the documentary evidences and submitted the remand report. The AO noted that although the cash was withdrawn from the bank account of the husband of the assessee, it was beyond imagination to believe that the same cash was deposited in the assessee's bank account instead of depositing it in her husband's bank account. Therefore, the AO concluded that the nature & source of deposits made by the assessee in her bank accounts remained unexplained and hence recommended to uphold the additions made during the assessment proceedings. The Ld. CIT(A) accordingly confirmed the addition so made by the AO.

5. Aggrieved by the aforesaid order of the Ld. CIT(A), now the assessee is in appeal before us. It is noted that in the remand report, the AO noted that the bank statement of the husband of the assessee was not legible. He further observed that the assessee had not explained the compulsion or the necessity for which the amount was withdrawn from the bank account of her husband and deposited in the account of the assessee. The Ld. CIT(A) further noted that the assessee did not explain as to how the amount of cash deposits was taxed in the hands of the husband of the assessee. He, therefore, confirmed the addition made by the AO.

6. We have heard the rival contentions of the Ld. Representatives of the parties and gone through the record. The Ld. Counsel for the assessee submitted that the assessee was ready to produce the entire passbook of her

husband and explain the source of deposits in her husband's account. He, therefore, has submitted that the matter may be restored to the file of the AO.

7. Considering the rival submissions, in our view, the interests of justice will be well-served if the assessee be given an opportunity to explain the nature and source of cash deposits in her bank account. Accordingly, the impugned order of the Ld. CIT(A) is set aside and the matter is restored to the file of the AO to verify the contention of the assessee that the aforesaid deposits in her bank accounts were out of cash withdrawal from the account of her husband and further the nature and source of such deposits in the account of her husband.

8. In the result, the appeal of the assessee is treated as allowed for statistical purposes.

**Order is pronounced under provision of Rule 34 of ITAT Rules, 1963
on 17/02/2026.**

Sd/-
(Bijayananda Pruseth)
Accountant Member
दिनांक/Dated 17/02/2026

Sd/-
(Sanjay Garg)
Judicial Member

टी. सी. नायर, व. नि. स. / T.C. NAIR, Sr. PS

आदेश की प्रतिलिपि ँ ग्रेषित/Copy of the Order forwarded to :

1. ँ पीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त (ं पील) / The CIT(A) - (NFAC), Delhi
5. विभागीय प्रतिनिधि, आयकर ँ पीलीय ँ धिकरण ,सूरत /AR, ITAT, Surat/Ahmedabad.
6. गार्ड फाईल /Guard file.

आदेशानुसार/ BY ORDER,

सत्यापित प्रति //True Copy//

सहायक पंजीकार (Asstt. Registrar)
आयकर ँ पीलीय ँ धिकरण, ITAT, Surat/Ahmedabad