

**IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI BENCH "SMC ", MUMBAI**

**BEFORE JUSTICE (RETD.) C.V. BHADANG, PRESIDENT AND
SHRI VIKRAM SINGH YADAV., ACCOUNTANT MEMBER**

ITA NO.6115/MUM/2025

:

A.Y. : 2018-19

Kejal Bhavesh Shah
207, Shivtirth Bldng.
10-12, Sindhi Lane,
Near Kumbharwada
Mumbai-400 004
PAN : ALFPI9412K
(Appellant)

Vs. **Income Tax Officer 19(2)(2),**
Mumbai

(Respondent)

Appellant by : Shri Sambhav Shah

Respondent by : Shri Rajesh Sakhardande, Sr.DR

Date of Hearing : 02/12/2025

Date of Pronouncement : 02/03/2026

ORDER

PER JUSTICE (RETD.) C.V. BHADANG, PRESIDENT :

By this appeal, the appellant-assessee is challenging the order dated 30.07.2025 passed by National Faceless Appeal Centre, Delhi (NFAC) ('CIT(A)' for short) which in turn arises out of an order dated 18.03.2021 passed by National e-assessment center, Delhi ('AO' for short) thereby making the impugned addition u/s.143(3) r.w.s. 143(3A) and 143(3B) of the Income Tax Act, 1961 ('Act' for short). The appeal relates to A.Y.2018-19.

2. The appellant is an individual and derives her income from salary and income from other sources. For the relevant year in question, the assessee had declared an income at Rs.1,87,500/- after claiming loss from house property on account of interest paid on borrowed capital. The return was processed u/s.143(1) of the Act. Thereafter,

the case was selected for scrutiny. The statutory notices were issued. It appears that principally the case was selected for scrutiny as the Assessing Officer had noticed that the assessee had purchased a flat jointly with her husband Shri Bhavesh Shah for a total consideration of Rs.1,75,00,000/-. The stamp duty value of the flat was Rs.1,83,25,200/-. Be that as it may be the Assessing Officer by an order dated 18/03/2021 made the following additions:-

- (i) Rs.2,25,000/- on account of cash deposited as 'unexplained money'.
- (ii) Disallowance of Rs.2,00,000/- on account of payment of interest on the amount borrowed.
- (iii) Disallowance of deduction of Rs.1,50,000/- claimed u/s.80C of the Act.

3. In appeal, the Id. First Appellate Authority has deleted two additions except the addition of Rs.2,25,000/- as cash deposit as 'unexplained money'. Feeling aggrieved, assessee is in appeal.

4. We have heard parties. Perused record.

5. It is submitted by the Id. AR that the assessee had accumulated personal savings through income from the tuition classes conducted by the appellant. A part of the amount was from household savings and cash received during her marriage in F.Y.2012-13. It is submitted that in respect of such amounts received over a period of time, no documentary evidence could be expected or be produced. It is submitted that the amount is small as compared to the total consideration of Rs.1,75,00,000/- paid for purchase of the flat.

6. Ld. DR has supported the impugned order. It is submitted that the appellant has failed to produce any documentary evidence in support of the cash receipts or the household savings and therefore, the cash deposit has rightly been added as 'unexplained money'.

7. We have considered the submissions made. The only contention raised on behalf of the appellant is that the amount of Rs.2,25,000/- was partly on account of cash receipts from the tuitions conducted by the appellant, household savings and gifts received

during her marriage. We do find that for such sums said to be received over a period of time (as the marriage of the appellant was in F.Y.2012-13), normally no documentary evidence can be expected. The issue has to be decided on the basis of human conduct and pre-ponderance of probability. The appellant was not required to maintain books of account. Undoubtedly, the case would dependent upon facts and circumstances of each case. However, considering the amount of Rs.2,25,000/- and explanation shown, we find that the same deserves to be accepted.

8. On behalf of the appellant, reliance was placed on the decision of the Division Bench of this Tribunal at Mumbai in Bakhtawar Nariman Dalal vs. Income Tax Officer (2024) 167 taxmann.com 391 (Mumbai Trib.). In that case, the impugned addition was made of Rs.15,00,000/- as 'unexplained income' u/s.69A of the Act. The assessee in that case was doing the business of sale of Puja items for several years in a Parsi temple and was not required to maintain books of account as per law. She claimed that she had accumulated savings of Rs.7,20,000/-. This Tribunal has accepted the explanation *inter alia*, considering the fact that the assessee was not required to maintain books of accounts and it would be normally difficult for any one to explain source of cash deposited into his bank account.

9. Considering the overall circumstances, we find that the impugned addition cannot be sustained. The appeal is accordingly allowed. The impugned addition stands deleted.

10. In the Result, appeal of the assessee is allowed.

Order pronounced in the open court on 02/03/2026.

Sd/-
(VIKRAM SINGH YADAV)
ACCOUNTANT MEMBER

Sd/-
(JUSTICE (RETD.) C.V. BHADANG)
PRESIDENT

Mumbai; Dated : 02/03/2026

Karuna, Sr. PS

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent
3. The PCIT/CIT concerned
4. DR, ITAT, Mumbai
5. Guard File.

//True Copy//

BY ORDER,

(Assistant Registrar)
ITAT, Mumbai