

**THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD "SMC" BENCH, AHMEDABAD**

Before Ms. Suchitra Kamble, Judicial Member

**ITA No. 2558/Ahd/2025
Assessment Year 2017-18**

Ashwinkumar Shankarlal Patel (HUF), 13, Krihsna Colony St. Zaviers School Road, B/H Rajkamal SOC Navrangpura, Ahmedabad PAN: AADHP1981Q (Appellant)	Vs	The Income Tax Officer, Ward-6(1)(1), Ahmedabad (Respondent)
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Assessee by: Shri Sunil Maloo, A.R.
Revenue by: Smt. Mamta Singh, Sr. D.R.

Date of hearing : 12-03-2026
Date of pronouncement : 16-03-2026

आदेश/ORDER

This is an appeal filed against the order dated 12-11-2025 passed by Addl/JCIT(A)-9, Mumbai for assessment year 2017-18

2. The grounds of appeal are as under:-

"1. That, the Ld. CIT(A) has wrongly confirmed the addition of alleged unexplained money under section 69A of the Income-tax Act amounting to Rs. 11,60,000/-.

2. That, the Ld. CIT(A) has erred in confirming the addition without properly considering the facts and explanations submitted by the appellant and without passing a reasoned and speaking order.

3. That, the Ld. CIT(A) has wrongly upheld the finding that the books of account were prepared after demonetisation, merely on the basis of the timing of filing of returns without pointing out any defect in the books and without rejection of the books under section 145(3) of the Act.

4. That, the Ld. CIT(A) has failed to consider that in the show cause notice issued by the Ld. AO, agricultural income of Rs. 5,49,456/- was accepted and explanation was sought only for Rs. 6,10,544/-, whereas the addition of the entire amount of Rs. 11,60,000/- was made without issuing any further notice or granting opportunity to the appellant.

5. That, the Ld. CIT(A) has erred in confirming the addition based on assumptions and presumptions regarding human conduct, such as what a prudent person would do, instead of examining the documentary evidence on record.

6. That, the Ld. CIT(A) has failed to appreciate that the books of account were produced, examined during assessment proceedings and were not rejected. Therefore the cash deposits of Rs. 11,60,000/- duly recorded in books of accounts could not be treated as unexplained.

7. That, the order passed by the Ld. CIT(A) is not a speaking order and therefore, bad in law and on facts and liable to be set aside.

The appellant craves, leave, to add, to alter or modify any of the grounds on or before final date of hearing of appeal.”

3. The assessee filed return of income on 16-03-2018 declaring total income at Rs. 2,17,610/-. The assessee's case was selected for limited scrutiny for large value of cash deposit during demonetization period and large agricultural income shown in ITR. The Assessing Officer issued statutory notices for which the assessee filed details of agricultural income along with sale bills agricultural produce, copy of 7/12 extracts, bank statements, farm income, ledger and cash book. The Assessing Officer made addition of Rs. 11,60,000/- as unexplained cash deposits during demonetization period u/s. 69A of the Act.

4. The assessee filed appeal before the CIT(A). The CIT(A) dismissed the appeal of the assessee.

5. The ld. A.R. submitted that the CIT(A) has confirmed the addition mainly on assumption that the assessee does not explain the cash deposited in bank account. The ld. A.R. submitted that the agricultural expenses was properly shown to the Assessing Officer as well as to the CIT(A) that it is very low is

not right as the assessee has given all the details related to the agricultural income. The ld. A.R. further submitted that the Assessing Officer has only sought explanation for Rs. 6,10,544/- and accepted the same whereas the entire amount of Rs. 11,60,000/- was added despite giving the details.

6. The ld. D.R. submitted that the Assessing Officer has rightly made addition as the assessee has been slight in regard to trailing entries located to the cash deposited during demonetization period being transferred to account of Ashwin Autocast Pvt. Ltd. The ld. D.R. relied upon the assessment order and the order of the CIT(A).

7. Heard both the parties and perused all the relevant material available on record. It is pertinent to note that the assessee has declared gross agricultural income in the return of income to the extent of Rs. 6,99,962/- which was demonstrated by the assessee through its balance sheet and the farm income, ledger as well as cash book ledger. From the perusal of the sales bills, the assessee has given the details of advances to Ashwin Autocast Pvt. Ltd. for the assessment year 2013-14 and also confirmed the farm income for the assessment year 2013-14. From the perusal of the earlier assessment years, the assessee is continuously depositing the cash which is as under:-

01-04-2012 to 31-1-03-2013	Aggregate deposit	cash	Rs. 6,15,800/-
01-04-2013 to 31-31-03-2014	Aggregate deposit	cash	Rs. 2,68,800/-
01-04-2014 to 31-	Aggregate	cash	Rs. 2,00,000/-

03-2015	deposit	
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However, a cursory glance of the dates on which return of income has been filed for the A.Y.2015-16 to A.Y.2018-19 reflects that all of them have been filed together after period of demonetization.

A.Y.	Date of filing	Total Income(Rs.)
2015-16	19.08.2015	Rs. 2,44,830/-
2016-17	24.03.2018	Rs.4,19,420/-
2017-18	16.03.2018	Rs.2,17,160/-
2018-19	02.07.2018	Rs.2,16,460/-

Thus, the assessee has already demonstrated before the Assessing Officer as well as before the CIT(A), the details of cash in hand prior to demonetization and the deposits to that extent during the demonetization period along with the land holding which gives categorical support to the assessee's agricultural income. Therefore, the addition made by the Assessing Officer does not sustain.

8. In the result, the appeal of the assessee is allowed.

Order pronounced in the open court on 16-03-2026

Sd/-
(Suchitra Kamble)
Judicial Member

a.k.

Ahmedabad : Dated 16/03/2026

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

1. Assessee
2. Revenue
3. Concerned CIT
4. CIT (A)
5. DR, ITAT, Ahmedabad
6. Guard file.

By order/आदेश से,

उप/सहायक पंजीकार
आयकर अपीलीय अधिकरण,
अहमदाबाद