

**INCOME TAX APPELLATE TRIBUNAL, MUMBAI
BENCHES, MUMBAI**

BENCH: J(SMC)

**BEFORE SHRI OM PRAKASH KANT, ACCOUNTANT MEMBER
AND SHRI ANIKESH BANERJEE, JUDICIAL MEMBER**

ITA 4171/MUM/2026 निर्धारणवर्ष/AssessmentYear: 2017-18		
SATINDER GOVIND OBERAI 801 B Wing Eden Garden Sion Trombay Road Opp Shivaji Statue, Mumbai-400088, Maharashtra	Vs.	INCOME TAX OFFICER Kautilya Bhavan C-41 To C-43 G Block Bandra Kurla Complex Mumbai-400051, Maharashtra
अपीलार्थी Appellant		प्रत्यर्थी Respondent
Permanent Account Number of Assessee: AALPO5528N		
अपीलार्थीद्वारा/Appellant represented by:	Ms. Sailee Gujarathi (Virtually present)	
प्रत्यर्थीद्वारा/Respondent represented by:	Ms. Jayshree Thakur (Sr. DR)	
सुनवाईकीतारीख/Date of conclusion of hearing:	02-Jul-2026	
घोषणाकीतारीख/Date of pronouncement:	07-Jul-2026	

आदेश / ORDER

PER: ANIKESH BANERJEE (JM):

The instant appeal of the assessee filed against the order of the Ld. Commissioner of Income Tax-(Appeals)- ADDL/JCIT(A)-2, Jaipur, [for brevity "Ld. CIT(A)"], order passed under Section 250 of the Income Tax Act, 1961(for brevity 'the Act'), date of order 12.02.2026. The impugned order emanated

from the order of the Ld. Income Tax Officer Ward-34(3)(5), Mumbai (for brevity 'Ld. AO'), order passed under Section 143(3), date of order 24.12.2019.

2. The brief facts of the case are that the assessee filed the original return by declaring total income Rs.69,290/- which is related to from salary amount of Rs.37,992 and interest income amount to Rs.31,295/-. The assessee's case was selected for scrutiny on issue of cash deposit during demonetization period within 08.11.2016 to 30.12.2016 amount to Rs.11,40,000/- in her three bank accounts. The notice was issued and assessee explained that the cash was deposited from the source of marriage gift amounting to Rs.4,68,000/-. The assessee was working woman and had earned income from salary and received gift from her relatives in the Financial Year 2016-17 related to AY 2017-18 from her marriage which was solemnized on 01.05.2016 and have received the gift from close relatives. She has past savings, her husband had a son from his previous marriage who is special child and had specially-abled for which the cash is required to be kept in home for urgency for treatment of her son and ailing mother in law who was alive during the FY 2016-17. The cash was deposited during the demonetization period. During the assessment proceedings the assessee was explained and submitted the confirmation related to the cash deposit amount to Rs.4,51,000/-. The assessee was unable to explain the source of gift. So the balance amount Rs.6,89,000/- (Rs.11,40,000 – Rs.4,51,000) was added back with the total income of the assessee u/sec. 69A r.w.s. 115BBE of the Act. The aggrieved assessee filed an appeal before the Ld. CIT(A). The Ld. CIT(A) after due considering the assessee's submission, had taken the following observations. The observations of the Ld. CIT(A) contended in following paragraphs which are reproduced as below:

“5.1 Ground 1 of the appeal is related to “the learned assessing officer is erred in law in treating the cash deposited in the saving account as unexplained money, u/s 69A of the income tax act 1961, the amount of cash deposited is out of gift received on the occasion of marriage and the past saving accumulated over a period of time.

5.1.1 I have carefully considered the assessment order, grounds of appeal, statement of facts, and the written submissions filed by the appellant along with the material placed on record. The sole issue for adjudication in the present appeal is whether the Assessing Officer was justified in treating the cash deposits made during the demonetization period as unexplained money under section 69A of the Income-tax Act, 1961.

5.1.2 The appellant has contended that the source of cash deposits was marriage gifts received in May-2016 and past savings accumulated over several years. However, the explanation offered by the appellant is not supported by cogent and reliable evidence. Although a list of alleged donors has been furnished, confirmations of an amount Rs.4,38,100/- from all donors were not produced and no contemporaneous documentary evidence such as gift receipts, withdrawal pattern of donors, or occasion-wise details were placed on record to establish the genuineness of the gifts.

5.1.3 Further, the Assessing Officer has rightly observed that there exists a substantial time gap between the alleged receipt of marriage gifts in May 2016 and the cash deposits made during the demonetization period in November–December 2016. The appellant has failed to substantiate, with credible evidence that such cash was retained intact for several months and was available for deposit.

5.1.4 Most importantly, from the assessment order, it is noticed that the appellant had made withdrawals from her bank account during earlier years. If the appellant was already in possession of sufficient cash, as claimed, there was no necessity for making such withdrawals from the bank account. This fact materially weakens the appellant’s contention of availability of large cash balances as past savings and streedhan. The pattern of withdrawals and deposits does not corroborate the explanation furnished and instead raises serious doubts regarding the source of cash deposited.

5.1.5 The explanation regarding demonetization compelling the deposit of cash is also not acceptable in the absence of satisfactory proof of availability of cash as on 08.11.2016. The burden under section 69A lies squarely upon the appellant to prove the nature and source of money found credited, which has not been discharged satisfactorily in the present case.

5.1.6 It is also pertinent to note that the Assessing Officer has already granted partial relief by accepting Rs.4,51,000/- [11,40,000-6,89,000] as explained, after giving due consideration to the appellant’s submissions. The balance amount of Rs.6,89,000 has been added only after detailed examination and for want of satisfactory explanation and supporting evidence.

5.1.7 *In view of the above facts and circumstances, I find no infirmity in the action of the Assessing Officer in making the addition of Rs.6,89,000/- under section 69A of the Act and taxing the same under section 115BBE. The addition is based on facts, evidence on record, and proper appreciation of law.*

5.1.8 *Accordingly, the addition of Rs.6,89,000/- made under section 69A of the Act is hereby confirmed. Consequently, the initiation of penalty proceedings is also upheld."*

The Ld. CIT(A) rejected the appeal for the assessee. Being aggrieved assessee filed an appeal before us.

3. The Ld. AR argued and contended that the assessee had accumulated the cash from her husband and also from her marriage gift. The confirmation was duly submitted related to the amount to Rs.4,38,100/- before the Ld. AO which was duly considered and amount was reduced from the total cash deposit in the bank account. But the Ld. AR explained the source of cash deposit related to amount of Rs.6,89,000/-. The assessee accumulated this amount from her marriage which is solemnized on May 2016. The assessee has retained this cash for her disabled son and ailing mother in law for urgent need of cash. Finally, during the demonetization the cash was deposited. The Ld. AR prayed for deleting the addition made by the Ld. AO.

4. The Ld. DR relied upon the orders of the Ld.AO and the Ld. CIT(A). Ld. DR contended that the assessee failed to establish the source of the cash deposits of Rs.6,89,000/- with cogent documentary evidence. The alleged marriage gifts and past savings remained unsubstantiated, and the assessee could not satisfactorily explain the retention of cash for several months prior to its deposit during the demonetization period. He, therefore, submitted that the Ld.AO had rightly invoked the provisions of section 69A of the Act and prayed that the addition sustained by the Ld. CIT(A) be upheld.

5. We have heard the rival submissions and perused the material available on record. It is an undisputed fact that the assessee deposited cash aggregating to Rs.11,40,000/- in her three bank accounts during the demonetization period. The assessee explained that the source of the cash comprised marriage gifts received at the time of her marriage solemnized on 01.05.2016, past savings, and cash retained at home to meet any medical emergency concerning her specially-abled step-son and ailing mother-in-law. During the assessment proceedings, the Ld.AO accepted the explanation to the extent of Rs.4,51,000/- based on the confirmations produced by the assessee and treated only the balance amount of Rs.6,89,000/- as unexplained under section 69A of the Act. We find that the assessee's marriage, held only a few months prior to the demonetization period, is an undisputed fact. It is also not uncommon in Indian social customs for a bride to receive gifts in cash from relatives and well-wishers on the occasion of marriage and to retain such cash for future household or medical contingencies. The explanation furnished by the assessee regarding retention of cash for the medical needs of her specially-abled step-son and ailing mother-in-law cannot be rejected merely on the basis of conjectures, particularly when no material has been brought on record by the revenue to establish that the impugned cash represented income from any undisclosed source. The revenue has also not found any evidence of unaccounted business activity or any other incriminating material to contradict the explanation offered by the assessee. The addition has been sustained primarily on the ground that the assessee could not produce complete documentary evidence for the entire amount and that there was a time gap between the marriage and the deposits made during the demonetization period. In our considered view, these circumstances alone are insufficient to invoke the provisions of section 69A of the Act when the explanation is

otherwise plausible and is supported by surrounding circumstances. The mere retention of cash for a few months before its deposit due to demonetization cannot, by itself, render the explanation unbelievable.

Considering the totality of the facts and circumstances of the case, we are of the considered opinion that the assessee has furnished a reasonable and satisfactory explanation regarding the source of the impugned cash deposits. Accordingly, the addition of Rs.6,89,000/- made under section 69A of the Act and taxed under section 115BBE is directed to be deleted. The grounds raised by the assessee are, therefore, allowed.

6. In the result, the appeal of the assessee bearing **ITA No.4171/Mum/2026** is allowed.

Order is pronounced in the open court on 07th day of July 2026.

Sd/-

(OM PRAKASH KANT)
ACCOUNTANT MEMBER

Mumbai, दिनांक/Dated: 07/07/2026
SAUMYA Sr.PS

Sd/-

(ANIKESH BANERJEE)
JUDICIAL MEMBER

Copy of the Order forwarded to:

1. अपीलार्थी/The Appellant ,
2. प्रतिवादी/ The Respondent.
3. आयकरआयुक्त CIT
4. विभागीयप्रतिनिधि, आय.अपी.अधि., मुंबई/DR, ITAT, Mumbai
5. गार्डफाइल/Guard file.

BY ORDER,

//True Copy//

(Asstt. Registrar), **ITAT, MUMBAI**