IN THE INCOME TAX APPELLATE TRIBUNAL,
JAIPUR BENCHES, "A" BENCH, JAIPUR

BEFORE SMT. ANNAPURNA GUPTA, ACCOUNTANT MEMBER
&
SHRI T. R. SENTHIL KUMAR, JUDICIAL MEMBER

ITA No.51/JPR/2026
(Assessment Year:2015-16)

Jeet Ram Chaudhary Kishanpura, Post Jhag, Tehsil Mozamabad Dudu, District Jaipur	Vs.	ITO Ward 7(1) Jaipur
स्थायीलेखासं./जीआइआरसं./PAN/GIR No:BBAPC 1922R		
Appellant	..	Respondent

Appellant by :	Sh. Mukesh Khandelwal, CA
Respondent by :	Sh. Abhimanyu Singh Yadav, Addl. CIT

Date of Hearing	23.07.2026
Date of Pronouncement	16.10.2026

O R D E R

Per Annapurna Gupta, AM:-

The present appeal has been filed by the assessee against the order passed by the National Faceless Appeal Centre (NFAC), Delhi (hereinafter referred to as "Ld. CIT(A)"), dated 01.12.2025 under Section 250 of the Income Tax Act, 1961 (hereinafter referred to as "the Act").

2. The grounds raised by the assessee read as under:-

1. That the ld. CIT (A) has erred in law and on facts in sustaining the action of the AO in making addition of Rs. 58,24,500/- being cash deposits in the bank account of the appellant during the relevant previous year as unexplained money u/s 69A and taxing the same in accordance with section 115BBE of the Income Tax Act, 1961, without properly appreciating the responses submitted by the appellant during appellate proceedings.

3. The solitary issue in the present appeal relates to the addition made to the income of the assessee on account of cash found deposited in his bank account amounting to Rs.58,24,500/-, the source of which remained allegedly unexplained.

4. The facts of the case are that proceedings u/s 147 of the Act were initiated on the assessee finding the assessee to be non-filer of return of income and cash being deposited in his bank account to the tune of Rs.59,41,000/-. The assessee explained the source of the same to be out of his agricultural income and dairy business. But on account of non-substantiation of the said explanation the entire amount credited to the bank account of the assessee was treated as from unexplained sources and added to his income as unexplained money u/s 69A of the Act.

5. The assessee carried the matter in appeal before the Ld. CIT(A), who confirmed the order of the AO.

6. We have heard both the parties. The contention of the ld. Counsel for the assessee before us is that the assessee had furnished substantial evidence of the cash deposited in the bank account being attributable to his agricultural income by furnishing Girdavari reports of the land, jamabandi and some of bills issued by Krishi Mandi Upaj Samiti evidencing sale of agricultural produce. He contended that the Mandi

receipts issued by him were to the tune of Rs.13,21,420/-. For the dairy income, he contended that month wise detail of milk sold and expense incurred was furnished by the assessee and the assessee had earned a net income of Rs.2,35,820/- which had been returned to tax which was accepted by the AO while assessing the income of the assessee. He therefore contended that the cash deposited to the tune of agricultural produce sold by him and net dairy income earned by him amounting to Rs.13,21,420/- and Rs,2,35,820/- stood adequately explained.

7. Ld. Counsel for the assessee further contended that there were withdrawals in his bank account also which sufficiently explained the cash deposited .Before us, he furnished a cash flow statement contending that the peak negative cash balance was Rs.17,08,073/- which was largely explained by the agricultural produce sold by him and the dairy income earned by him all of which was duly substantiated. His submissions in this regard submitted in writing before us as under;-

> *As stated in the acts the appellant earned income from agriculture operations and dairy. His grand father owned 13.88165 Hectare of agricultural land proof of which are enclosed at APB 1-22. Girdavari reports of the land of the grand father are available at APB 23-25. These reports are for the Samvat Year 2071 (which is around 12 years back from today) and evidence that on the land of the grand father various food grains like Moong, Jwar, Bajra etc. were grown up which were sold in the market and worked as source of deposit into bank account. The assessee had also earned income from dairy. The details of dairy income realized by the assessee and expenditure incurred thereon are appearing at APB 31-36. Sampel copies of bills issued by Krishi Mandi upaj samiti evidencing sale of agriculture produce are at APB 26-30*
>
> *Following are the details of sale of agricultural produce and dairy income :-*

Mandi Receipts (APB 26-30)

S.NO	DETAILS	DATE	AMOUNT(INR)
1	Moong(Green Gram)	15-07-2014	6,00,653
2	Jwar(High Tide)	13-08-2014	92,887
3	Other Waste like Grass (Chara)	15.12.2014	3,940
4.	Chana(Chick Peas)	15-04-2014	4,94,400
5	Till (Sesame)	03-09-2014	72,198
6	Makka (CORN)	10-04-2014	57,342
Total			13,21,420

Dairy Income Detail (APB 31-36)

Month	Receipts	Expenditure	Profit/Loss
April	85330	65300	20030
May	83370	65100	18270
June	91380	65100	26280
July	85770	65833	19937
August	82050	65333	16717
September	83830	65617	18213
October	84930	65617	19313
November	83670	65100	18570
December	84210	65300	18910
January	84930	65300	19630
February	85020	65300	19720
March	85330	65100	20230
Total	10,19,820	7,84,000	2,35,820

The above evidences are to the effect that the assessee had realised following amounts during the year under consideration -

1. Sale of Agricultural Produce (Total of APB 26-30)Rs 13, 21,420
2. Dairy Income "Total of APB 31-36) Rs. 2,35,820

The chart showing flow of cash during the year (being submitted today) shows that the assessee was having a maximum negative balance of Rs. 17,08,073/- as at 12.04.2014 which was met out by the assessee from following sources -

1. Sale of Agricultural produce
2. Dairy Receipts
3. From grand father, father and uncle

AS the appellant belongs to a village area and is limited educated and being a part of joint family did not keep any evidences of receipt of sum from various sources to prove sources of cash deposits into bank account.

In this regard it is alternatively submitted that even if sources of meeting the above deficit of funds is not accepted the transactions in the bank statement evidences that the assessee could not prove sources of Rs. 17,08,073/- and addition may kindly be restricted to that extent only in place of Rs. 58,24,500/-. An addition of estimated house with drawls can further be made in above stated deficit sum of Rs. 17,08,073/-

Your honourare sincerely requested to consider the above submissions favourably and delete the addition made by the Id. AO and confirmed by Id. CIT (A) and oblige

8. Ld. DR however referred to the concurrent findings of the AO and the Ld. CIT(A) that the assessee had failed to furnish any documentary evidence for agricultural expenses, dairy expenses or bills or vouchers for alleged sale of milk to sweet shops; that no cash flow was also submitted by the assessee and mere existence of withdrawals did not automatically establish that the same was re-deposited. He further drew our attention to the findings of the authorities below that there were large cash deposits reflected on single days of Rs.21 lakhs on 12.04.2014 and Rs.15,82,500/- on 17.07.2014 followed by an immediate debit of Rs.15,80,000/- to Sh. Bajrang Lal Bairwa on 18.07.2014 and that the assessee had failed to explain the purpose and the source of the substantial transactions. Our attention was drawn to the findings of the Ld. CIT(A) at para 7.4 to 7.12 of his order as under:-

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7.4 The appellant has contended that the cash deposits were sourced from (1) agricultural income, (ii) dairy income, and (iii) cash withdrawals from the same bank account. It has been argued that the family owns substantial agricultural land in the name of the appellant's grandfather and that agricultural and dairy activities generated sufficient funds.

7.5 The Assessing Officer analyzed the submissions in detail. The appellant admitted agricultural receipts of Rs. 13,21,420/- and dairy receipts of Rs. 10,19,820/-, aggregating to Rs. 23,41,240/ However, the appellant failed to furnish any documentary evidence for agricultural expenses, dairy expenses, or bills/ vouchers for alleged sales to sweet shops. The month-wise statements submitted remain self-prepared, unverified, and unsupported by any contemporaneous evidence. This is clearly recorded by the Assessing Officer.

7.6 The appellant has placed reliance on Jamabandi, Girdawari, and some mandi slips. These documents only establish ownership and cultivation of land, but do not substantiate actual cash flow, nor do they bridge the gap between admitted receipts (Rs. 23.41 Lakh) and total cash deposits (Rs. 59.41 Lakh). The appellant has not produced a cash book, dairy business bills, payment receipts, or credible reconciliations despite repeated opportunities.

7.7 The appellant has argued that Rs. 39,11,040/- was deposited out of earlier cash withdrawals. However, neither before the Assessing Officer nor during appellate proceedings has the appellant furnished a day-wise cash flow statement, duly supported by books of accounts, to establish cash availability or the cycle of withdrawals and re-deposits. Mere existence of withdrawals does not automatically establish that the same cash was re-deposited, particularly when no evidence of cash-on-hand, storage, utilization, or rotation is provided. Hon'ble Courts have consistently held that withdrawals do not ipso facto explain deposits unless nexus is established.

7.8 On the contrary, the bank statement reflects large cash deposits on single days, Rs. 21,00,000/- on 12.04.2014, and Rs. 15,82,500/- on 17.07.2014, followed by an immediate debit of Rs. 15,80,000/- to Shri Bajrang Lal Bairwa on 18.07.2014. The appellant failed to explain the purpose and source of these substantial transactions. This significantly undermines the credibility of the appellant's version and establishes that the appellant was engaged in financial transactions far beyond what can be explained by agricultural/ dairy income.

7.9 It is a settled legal position that the burden of proof u/s. 69A squarely lies upon the appellant. The appellant must demonstrate, with cogent evidence, the nature, source, and genuineness of cash deposits. Mere assertions, uncorroborated statements, or partial documentation do not satisfy the statutory requirement. In the present case, the appellant has failed to discharge this burden.

7.10 The Assessing Officer has analyzed the bank account in detail and correctly held that out of total current-year credit of Rs. 64,75,427/-, the cash deposits of Rs. 58,24,500/- remained unexplained. The appellant's submission that "the Assessing Officer did not apply his mind is not borne out from the record. On the contrary, the Assessing Officer provided repeated opportunities, raised specific queries, analyzed the evidence, and passed a well-reasoned order.

7.11 During the appellate proceedings also, the appellant has not furnished any fresh documentary evidence capable of rebutting the findings of the Assessing Officer. Most submissions merely reiterate earlier claims, without substantive corroboration. Even the summary of alleged agricultural and dairy incomes remains unverified and insufficient to explain the magnitude of the cash deposits.

7.12 In view of the above, the addition of Rs. 58,24,500/- made u/s. 69A, and taxation thereof u/s. 115BBE, is found to be fully justified. No interference is warranted. Ground No. 1 is accordingly dismissed.

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9. We have considered the rival contentions. What is to be determined in the present case is whether the assessee had explained the source of cash deposited in his bank account to the tune of Rs.59,41,000/- duly substantiated with the evidences.

10. The consistent explanation of the assessee undeniably has been that the cash deposited has been sourced from his agricultural income and dairy income. The assessee has substantiated the earning of agricultural income by submitting copy of jamabandi, Girdavari and some copy of Mandi slips. No infirmity has been found by the Revenue in these documents filed by the assessee. Therefore the ownership of agricultural land, the fact of having grown agricultural crop on the same and having sold the agricultural produce stands duly established. The Revenue has rejected the assessee's explanation solely for the reason that no proof of expenses incurred was filed by the assessee. Considering the substantial evidences furnished by the assessee as noted by us as above, we do not consider the non furnishing of evidence of incurring agricultural expenses vital to substantiate agricultural income earned by the assessee. Therefore, finding the assessee to have duly substantiated with evidence of having earned agricultural income to the tune of Rs.13,21,420/-,we

hold that the source of cash deposits of the said extent stands duly explained.

11. With regards to the cash deposits being attributable to the dairy income of the assessee, though admittedly the assessee has not submitted any evidence in this regard, but at the same time, considering the volume of sales shown by the assessee of dairy products, amounting to approximately Rs.83,000/- monthly, it is not substantial and it is common that people doing dairy business of this scale do not generate any bills or evidences of sale of dairy products. Moreover, the income returned by the assessee in the dairy business of Rs.2,35,820/- has been accepted by the AO. Therefore the source of cash deposited in the bank account of the assessee to this extent of income earned from dairy business is also accepted.

12. The assessee's explanation before us, was that the entire cash deposited of Rs.59,41,000/- were not required to be explained, since besides agricultural income and dairy income, the same were sourced out of withdrawals made and considering the cash flow details submitted by the assessee before us only a peak negative balance of Rs.17,08,073/- be needed to be explained by the assessee. This contention of the ld. Counsel for the assessee we find merits no consideration.

13. The cash flow statement was never submitted to the Authorities Below. It has been furnished for the first time before us. Thus it is an additional evidence being furnished, for which neither an application for admission has been filed before us nor any such pleading made orally during the course of hearing. Further no reason has been given for not

furnishing the same before the lower authorities, though we find, that both the AO and Ld. CIT(A) have noted non furnishing of cash flow statement by the assessee to substantiate its explanation.Therefore we see no reason to admit the cash flow statement for consideration.

14. Be that so on going through the cash flow statement, we find, that the assessee has shown opening cash balance of Rs.6,50,927/- which is not duly substantiated with any third party evidences. Considering the economic status of the assessee, an opening balance of Rs.2.5 lakhs is considered reasonable more particularly noting the fact that he lives in a rural area primarily engaged in agricultural and dairy activities and is owner of land and over the years must have accumulated cash balance of Rs.2.5 lakhs from the activities carried out by him.

15. Taking note of the same, the negative cash balance as reported by the assessee of Rs.17,08,073/- is increased by Rs.4,00,927/- to Rs.21,09,000/- and finding that the assessee has explained the source of cash to the tune of Rs.15,57,240/-, the balance amount of Rs.5,51,760/- is treated as unexplained and addition to the said extent made by the Revenue Authorities u/s 69A of the Act is confirmed.

16. In effect, appeal of the assessee is **partly allowed.**

Order pronounced in the Open Court on 16.10.2026

Sd/-	Sd/-
(T.R. Senthil Kumar)	(Annapurna Gupta)
JUDICIAL MEMBER	ACCOUNTANT MEMBER

Dated 16.10.2026

Mittali, Sr. PS
Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

By Order,

Asst. Registrar
ITAT, Jaipur