

**IN THE INCOME TAX APPELLATE TRIBUNAL
'A' BENCH : BANGALORE**

**BEFORE SHRI WASEEM AHMED, ACCOUNTANT MEMBER
AND
SHRI SOUNDARARAJAN K., JUDICIAL MEMBER**

ITA No. 610/Bang/2025
Assessment Year : 2017-18

Shri Hanumanthappa Govindappa, No. 23, 8 th Block, Near Anjaneya Temple, Koramangala – 560 095. PAN: AMCPG7268A	Vs.	The Income Tax Officer, Ward – 3(3)(1), Bangalore.
APPELLANT		RESPONDENT

Assessee by	:	Shri Rakesh, CA
Revenue by	:	Shri Balusamy .N, JCIT-DR

Date of Hearing	:	31-07-2025
Date of Pronouncement	:	28-08-2025

ORDER

PER SOUNDARARAJAN K., JUDICIAL MEMBER

This is an appeal filed by the assessee challenging the order of NFAC, Delhi dated 04/02/2025 in respect of the A.Y. 2017-18.

2. The brief facts of the case are that the assessee is an individual and employed with the Police Department of the Government of Karnataka. He retired in the Assessment Year 2018-19 and all his retirement benefits were deposited into his bank account. The AO based on the information that the

assessee had deposited during the demonetisation period had reopened the case of the assessee and issued a notice u/s. 148 of the Act. Subsequently, notices u/s. 142(1) were issued calling for the details about the source for the cash deposits made during the demonetisation period. The assessee had not furnished any details and not filed his original return of income u/s. 139 of the Act. Thereafter the AO issued a notice u/s. 133(6) of the Act to the bankers viz. Union Bank of India, Bank of Baroda and Canara Bank and got the bank statements of the assessee. The assessee had not responded to any of the notices and therefore the AO had treated the cash deposits as unexplained investment money u/s. 69A of the Act. The AO also treated the fixed deposits made in the Canara Bank as unexplained money u/s. 69A of the Act. Similarly, the salary / pension was also added to the income of the assessee. As against the said order, the assessee filed an appeal before the Ld.CIT(A). Before the Ld.CIT(A), the assessee explained that he has not filed his return of income since the police department had arranged a professional consultant for filing the returns and directed the employees to file the ITR through him. Subsequently, the assessee came to know that the said consultant had not filed return of income even though the details were obtained from the assessee. The assessee explained the sources for the deposits made into his bank account. In the explanation, the assessee submitted that the unexplained income are related to the retirement benefits received from the Government and also filed a computation of income. But unfortunately, the assessee had not appeared before the Ld.CIT(A) and therefore the Ld.CIT(A) had dismissed the appeal.

3. As against the said order, the present appeal has been filed by the assessee.

4. At the time of hearing, the Ld.AR submitted that the assessee being a retired person from the police department, he is facing some health issues and therefore he could not attend the hearing before the Ld.CIT(A) and filed a paper book enclosing the medical report as well as the form 26AS and the

computation of the income and submitted that the assessee had sources for depositing cash into his bank account during the demonetisation period. Insofar as the fixed deposit is concerned, the assessee submitted that the same was made in the A.Y. 2018-19 and therefore the said could not be treated as unexplained income in the A.Y. 2017-18. The Ld AR submitted that the assessee's left leg was amputated and therefore prayed that another opportunity may be granted by taking a lenient view.

5. The Ld.DR submitted that the assessee had not furnished the details before the AO as well as before the Ld.CIT(A) and therefore the appeal deserves to be dismissed.

6. We have heard the arguments of both sides and perused the materials available on record.

7. As seen from the documents filed before us, we find that the assessee is a retired police from the Karnataka Police Department and he invested his savings as well as the retirement benefits in his bank accounts. The said details could not be furnished before the AO in view of his ill health and also in view of the fact that he has no knowledge in operating the computer systems. Even before the Ld.CIT(A), for the very same reason, he was not able to appear and substantiate his case.

8. Considering the said facts and circumstances and also the fact that the assessee is a senior citizen and retired from the government service and also the fact that his left leg was amputated, we are of the view that one more opportunity may be granted to the assessee to defend his case before the authorities. We, therefore set aside the orders of the lower authorities and remit this issue to the file of the AO for denovo consideration. We also permit the assessee to file the required documents before the AO while making the assessment.

9. In the result, the appeal filed by the assessee is allowed for statistical purposes.

Order pronounced in the open court on 28th August, 2025.

Sd/-
(WASEEM AHMED)
Accountant Member

Sd/-
(SOUNDARARAJAN K.)
Judicial Member

Bangalore,
Dated, the 28th August, 2025.
/MS /

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|---------------|------------------------|
| 1. Appellant | 2. Respondent |
| 3. CIT | 4. DR, ITAT, Bangalore |
| 5. Guard file | 6. CIT(A) |

By order

Assistant Registrar,
ITAT, Bangalore