

**IN THE INCOME TAX APPELLATE TRIBUNAL
DEHRADUN “SMC” BENCH: DEHRADUN**

**BEFORE SHRI YOGESH KUMAR U.S, JUDICIAL MEMBER &
SHRI MANISH AGARWAL, ACCOUNTANT MEMBER**

[THROUGH VIRTUAL MODE]

ITA No.40/DDN/2025

[Assessment Year : 2017-18]

Shri Vinod Panwar, 7, Mohanpur, Prem Nagar, Dehradun, Uttarakhand-248001 PAN-AKPPP5733Q	vs	ITO, Kotdwar, Dehradun, Uttarakhand
APPELLANT		RESPONDENT
Assessee by	Shri S.K.Ahuja, AR	
Revenue by	Shri A.S.Rana, Sr.DR	
Date of Hearing	09.07.2025	
Date of Pronouncement	09.07.2025	

ORDER

PER MANISH AGARWAL, AM :

The present appeal is filed by assessee against the order dated 27.11.2024 by Ld. Addl./ Joint Commissioner of Income Tax (A)-12, Mumbai [“Ld.CIT(A)”] in Appeal No. CIT(A), Dehradun/10525/2019-20 passed u/s 250 of the Income Tax Act, 1961 [“the Act”] arising from the assessment order dated 04.12.2019 passed u/s 143(3) r.w.s. 144B of the Act pertaining to assessment year 2017-18.

2. This appeal was filed delayed by 31 days by the assessee for which an application for condonation of delay is filed. As per the said application it is submitted that order of Ld.CIT(A) was served on the registered e-mail ID of the assessee which was not working as the assessee is a small time-trader and does not use e-mail id for

regular communication and therefore, is not in the habit of check the mail on daily basis. As some issues were set aside by Ld.CIT(A), the assessee received SMS from the AO and thereafter, he visited the e-filing portal and found that Ld. CIT(A)'s has already passed the order. The assessee rushed to the counsel and the appeal was filed which got delayed by 31 days due to this reason. It is thus requested that delay being bonafide, deserves to be condoned and appeal be admitted for adjudication.

3. Ld. Sr. DR opposed the contentions of the Ld.AR for the assessee.

4. After considering the arguments of both the parties, we find that there is reasonable and sufficient cause with the assessee in filing the appeal delayed by only 31 days. Thus, looking to the bonafide reasons stated by the assessee, we condone the delay and admit the appeal of the assessee for adjudication.

5. Brief facts of the case are that assessee is an individual, having proprietorship firm namely M/s. Eureka Services and filed his return of income on 23.01.2018, declaring total income of INR 6,27,020/-. The case of assessee was selected for scrutiny and as proper details were not filed by the assessee as sought for therefore, the assessment order was passed at a total income of INR 16,10,261/- by making various additions/disallowances.

6. Against the said order, assessee filed an appeal before Ld. CIT(A) who vide order dt. 27.11.2024, partly allowed the appeal of

the assessee wherein some issues were remand to the file of AO and addition of INR 7,25,000/- of cash deposit in bank account during previous year excluding the demonetization period, was confirmed.

7. Aggrieved by the order of Ld.CIT(A), assessee is in appeal before the Tribunal wherein various grounds of appeal were taken by the assessee. As all these grounds of appeal relate to the confirmation of addition of INR 7,25,000/- towards cash deposit in bank account made u/s 69A r.w.s. 115BBE of the Act therefore, they are taken together for consideration.

8. Heard the contentions of both parties and perused the material available on record. At the outset, it is seen that assessee failed to explain the source of the said cash deposited in bank account before the AO. However, before Ld. CIT(A), it was claimed that the said deposit was made out of cash sales alongwith opening cash in hand available with assessee. It is seen that AO though accepted the business activity of the assessee and made the addition towards sundry creditors however, has denied the fact of cash sales and made the addition towards cash deposits accumulated out of such cash sales.

9. Considering all these facts, in our considered opinion, assessee was not provided sufficient and reasonable opportunity to explain the immediate source of cash with relevant documentary evidences. Accordingly, we set aside the orders of both the lower authorities on this issue and remand the matter to the file of AO with the direction to make necessary verification of source of cash

deposit as explained by the assessee and decide in accordance with law. The assessee is also directed to file all the relevant details in order to justify the source of cash deposited in the bank account. All the grounds of appeal taken by the assessee are partly allowed for statistical purposes.

10. In the result, appeal of the assessee is partly allowed.

Order pronounced in the open Court on 09.07.2025.

Sd/-

**(YOGESH KUMAR U.S)
JUDICIAL MEMBER**

Date:- 26.09.2025

Amit Kumar, Sr.P.S

Sd/-

**(MANISH AGARWAL)
ACCOUNTANT MEMBER**

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