

**IN THE INCOME TAX APPELLATE TRIBUNAL
AGRA BENCH 'DB' : AGRA.**

**BEFORE SHRI S.RIFAUR RAHMAN, ACCOUNTANT MEMBER
and
SHRI SUNIL KUMAR SINGH, JUDICIAL MEMBER**

**ITA No.405/AGR/2025
(Assessment Year: 2018-19)**

Income Tax Officer,
Ward 2(1), Gwalior.

vs.

Ajay Singh,
H.No.165, Rama Tapura No.02,
Nichla Bag,
Badhi Prasad C Seva Nagar,
Gwalior – 474 001 (Madhya Pradesh).

(PAN : DIBPS9945E)

(APPELLANT)

(RESPONDENT)

ASSESSEE BY : None

REVENUE BY : Shri Ajay Kumar Yadav, CIT DR

Date of Hearing : 15.10.2025

Date of Order : 30.10.2025

ORDER

PER S. RIFAUR RAHMAN, ACCOUNTANT MEMBER :

1. The Revenue has filed appeal against the order of the Learned Commissioner of Income-tax (Appeals)/National Faceless Appeal Centre (NFAC), Delhi [“Ld. CIT(A)”, for short] dated 16.06.2025 for the Assessment Year 2018-19.
2. None appeared on behalf of the assessee. We are proceeding to decide the appeal with the assistance of the Id. DR of the Revenue.
3. Brief facts of the case are, assessee did not file return of income for the year under consideration. The database of Revenue (INSIGHT Portal) revealed that

in AY 2018-19, assessee made withdrawal of cash from Punjab & Sind Bank totaling to Rs.8,81,00,000/-. Notice u/s 148 of the Income-tax Act, 1961 (for short 'the Act') was issued and served on the assessee but the assessee did not respond to the same. Notices were issued u/s 142 (1) dated 07.11.2022 and 25.11.2022 and assessee was duly requested to furnish the details of cash withdrawals made explaining the nature of transactions, documentary evidences thereof and name, PAN and address of parties to whom cash paid after withdrawals along with documentary evidences thereof. Further, assessee was also requested to furnish the source of cash withdrawals made showing the name, PAN and address of parties from whom credits received which were used for cash withdrawals together with nature of transactions with said parties and documentary evidences thereof and substantiate that both withdrawals and credits/deposits are from explainable source. However, no replies/submissions were made by the assessee. Further, vide notice dated 06.01.2023, assessee was duly show caused as to why assessment should not be completed to best of judgment as no compliances done. Notice u/s 133(6) was sent to Punjab and Sind Bank and the bank duly submitted its reply in ITBA. On perusal of reply/bank statement from bank, it was found that the said bank account was credited with Rs.8,84,00,000/-. Assessing Officer observed that assessee during the course of proceedings was not able to explain the nature and source of credits and it was out of the said credits that, cash was withdrawn. In absence of any replies/submissions, Assessing Officer observed the source of

credits and nature thereof completely unexplainable. Accordingly, the credits/deposits in the said bank account are proposed to be added in total income of assessee u/s 69A r. w.s 115BBE of the Act as unexplained Money.

Accordingly, Assessing Officer made the addition of Rs.8,84,00,000/-.

4. Aggrieved with the above order, assessee preferred an appeal before the NFAC, Delhi and filed detailed submissions. After considering the detailed submissions of the assessee, ld. CIT (A) deleted the addition by observing as under :-

“6.2 I have considered submissions given by the appellant during the appellate proceedings. The appellant is an employee and service provider to the banks for cash. The appellant has submitted copy of Identity Card issued by the employer ISS SDB Security Services Pvt. Ltd. Also confirmation from Punjab & Sind Bank certifying that the appellant is an authorized signatory for replenishment of cash in ATM machines of the bank during the FY 2017-18 has been provided. The details provided is satisfactory. In view of the above explanation and evidences; it is very much clear that the assessee is a small employee and service providers to the banks for cash replenishment in their ATM machines and these cash withdrawal and deposit transaction does not pertains to him. After considering the facts and circumstances of the case and as per the reply and documents submitted by the appellant and information available on system) the cash withdrawal through bearers cheque by the assessee from current account belongs to Punjab & Sind Bank through ISS SOB Security Service Private Limited for the year under consideration. Thus, the returned income shown by the assessee for A.Y. 2018-19 is considered.

6.3 I direct the Assessing Officer to delete the addition to the tune of Rs.8,84,00,000/- made u/s 69A.”

5. Aggrieved, Revenue is in appeal before us raising following grounds of appeal:-

“Whether the Id. CIT (A) was justified in law or in facts admitting the evidences submitted by the assessee during the appeal proceedings in violation of provisions laid down in Rule 46A and deleted the addition of Rs.8.84 crores.”

6. At the time of hearing, Id. DR of the Revenue submitted that Id. CIT (A) was not justified in admitting the evidences submitted by the assessee during the appeal proceedings in violation of the provisions laid down in Rule 46A and heavily relied on the findings of the Assessing Officer.
7. On the other hand, however none appeared on behalf of the assessee but assessee submitted relevant facts of the appeal and submissions, which are placed on record, and the same is reproduced below for the sake of brevity :-

“The assessee was an employee of M/s ISS SDB Security Services Private Limited in FY 2017-18. That company was providing services to various banks for replenishing the Cash into their ATM machines. The Assessee was authorised by his Company to accept the cash from the Banks branches and then replenish it into the ATM machines connected with those branches. A total sum of Rs.22700000/- was replenished in ATMs of Punjab n Sind Bank, Fort Road, Gwalior branch via Current A/c No. 02631100001313 and similarly Rs.65400000/- was replenished in ATMs of Punjab & Sind Bank, Jayendra Ganj, Gwalior branch via Current A/c No.01011100002836. These transactions of total Cash Deposit and withdrawal to the tune of Rs.88100000/- were done for and on behalf of the Bank branches only. We are submitting the Certificates issued by the concerned bank branches as evidence. These Banks had wrongly associated the PAN number of the employee Assessee with that ATM Cash current Accounts. Therefore, these cash replenishment transactions were reflected in AIS at the PAN number of the assessee due to the mistake committed by the Bank. These current accounts were not in the name of the Assessee. It may be confirmed from the reporting bank. Consequently, proceedings u/s 148 has been started against the Assessee. The Assessee got prepared his USER.ID at IT Portal in 2019-20 through Ca Sudheer Sureka office for filling his first ITR. That counsel filled his MOBILE NUMBER and EMAIL ID and postal address at Income Tax Portal while creating the User ID of the Assessee. Therefore, all the Notices and correspondence did not reach to the assessee as that CA did not informed the Assessee regarding these

Notices u/s 148 Us 142-1. Hence that Assessment u/s 147 is completed ex-parte u/s 144. Mr. Jaswant Shakya PAN DYEPS1457L was the colleague and team member of the Assessee received a Notice u/s 142-1 in the similar case from ITO 1-1 Gwalior. Then the Assessee came to know about all these Notices and Orders on 12.03.2023 by login to his portal id. However his case was already closed on 04.03.2023. The detailed Facts of the case, grounds of appeal and necessary evidences shall be submitted at the time of hearing with the kind permission of the chair.

Submission on the Legal Ground

Ground No.1:- That the learned Assessing Officer has erred, both in law and on facts, in treating the total cash deposits of Rs.8,81,00,000/- in the assessee's bank accounts as unexplained money under section 69A of the Income Tax Act, 1961, without appreciating that the assessee was merely an employee of M/s ISS SDB Security Services Private Limited, and the said cash transactions were carried out for and on behalf of Punjab & Sind Bank branches for the purpose of ATM cash replenishment in the ordinary course of employment.

Submission on ground No.1:-The said company was engaged in providing cash replenishment and security services to various banks for refilling their ATM machines.

The assessee, being an authorised employee of the company, was entrusted with the responsibility to collect cash from designated bank branches and replenish the same into ATM machines maintained by those branches. During the year, the assessee replenished:

A sum of Rs.2,27,00,000/- in ATMs of Punjab & Sind Bank, Fort Road, Gwalior Branch through Current A/c No.02631100001313; and

A sum of Rs.6,54,00,000/- in ATMs of Punjab & Sind Bank, Jayendra Ganj, Gwalior Branch through Current A/c No.01011100002836. Thus, the total cash deposits and withdrawals of Rs.8,81,00,000/- were made solely on behalf of the bank branches in the course of official duties. These transactions did not represent any income of the assessee but were part of his employment-related responsibilities.

The assessee is a small salaried employee working under the instructions of his employer and had no personal ownership or benefit in these transactions.

In support of this fact, the assessee has enclosed certificates/confirmation letters issued by the concerned bank branches, confirming that the transactions were related to ATM cash replenishment only.

The CIT (Appeals) - Faceless has already allowed the appeal in favour of the assessee after verifying all the facts and evidences. A copy of the appellate order is enclosed for ready reference.

Hence, the assessee respectfully submits that the cash transactions were carried out in fiduciary capacity for the purpose of official ATM cash replenishment and do not constitute unexplained money or income under any provision of the Income Tax Act.

The addition made by the Assessing Officer is unjustified and unsustainable, and therefore, the order of the CIT(A) may kindly be upheld,

It is prayed that the proceeding u/s 147r.w.s144 and the assessment made by kindly be cancelled.”

8. Considered the submissions of ld. DR and material available on record. We observe that the assessee was an employee of M/s ISS SDB Security Services Private Limited in FY 2017-18 and that company was providing services to various banks for replenishing the Cash into their ATM machines. We further observe that the Assessee was authorised by his Company to accept the cash from the Banks branches and then replenish it into the ATM machines connected with those branches. A total sum of Rs.22700000/- was replenished in ATMs of Punjab & Sind Bank, Fort Road, Gwalior branch and similarly Rs.65400000/- was replenished in ATMs of Punjab & Sind Bank, Jayendra Ganj, Gwalior branch. We observe that these transactions of total Cash Deposit and withdrawal to the tune of Rs.88100000/- were done for and on behalf of the Bank branches only. In this regard, certificates issued by the concerned

bank branches are placed on record as evidence. We further observe that these Banks had wrongly associated the PAN number of the employee assessee with that ATM Cash current Accounts, therefore, these cash replenishment transactions were reflected in AIS at the PAN number of the assessee due to the mistake committed by the Bank. However, these current accounts were not in the name of the assessee. We observe that these transactions did not represent any income of the assessee but were part of his employment-related responsibilities. Further we observe that the assessee is a small salaried employee working under the instructions of his employer and had no personal ownership or benefit in these transactions. We further observe that certificates/confirmation letters issued by the concerned bank branches, confirming that the transactions were related to ATM cash replenishment only are placed on record. We observe that the Id. CIT (A) has already allowed the appeal in favour of the assessee after verifying all the facts and evidences. Accordingly, do not disturb the findings of the Id. CIT (A) who has passed a speaking order. Accordingly, the grounds taken by the Revenue are dismissed.

9. In the result, the appeal filed by the Revenue is dismissed.

Order pronounced in the open court on this 30th day of October, 2025.

**Sd/-
(SUNIL KUMAR SINGH)
JUDICIAL MEMBER**

**Sd/-
(S.RIFAUR RAHMAN)
ACCOUNTANT MEMBER**

**Dated:30.10.2025
TS**

Copy forwarded to:

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

ASSISTANT REGISTRAR
ITAT, NEW DELHI