

आयकर अपीलीय अधिकरण “ए” न्यायपीठ पुणे में ।
IN THE INCOME TAX APPELLATE TRIBUNAL “A” BENCH, PUNE

BEFORE SHRI R.K. PANDA, VICE PRESIDENT
AND
MS. ASTHA CHANDRA, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.1282/PUN/2025
निर्धारण वर्ष / Assessment Year : 2018-19

M/s Anand Group of Business Money Transfer, Shirval Wind Shirval, Khandala, Pune-412801 PAN : ABIFA0906E	Vs.	Income Tax Officer, Ward – 4, Satara
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

Assessee by :	Shri Hari Krishan
Department by :	Shri Ratnakar Bhimrao Shelake
Date of hearing :	09-09-2025
Date of Pronouncement :	31-10-2025

आदेश / ORDER

PER ASTHA CHANDRA, JM :

The appeal filed by the assessee is directed against the order dated 28.03.2025 of the Ld. Commissioner of Income Tax (Appeals)/NFAC, Delhi [**CIT(A)**] pertaining to Assessment Year (**AY**) 2018-19.

2. The assessee has raised the following grounds of appeal :-

- “1. The Ld. Commissioner of Income Tax (Appeals) has eared in dismissing the ground Nos. 1 to 4 of the appeal of the assessee regarding the addition of Rs. 1,61,29,660/- made by the Assessing Officer on account of cash deposits in the bank account No.36970241184 maintained with the State Bank of India, by treating the same as unexplained money.
2. The Ld. Commissioner of Income Tax (Appeals) has eared in upholding the action of the Assessing Officer to invoke the provisions of section 115BBE of the Income Tax Act to charge the higher rate of tax in respect of the addition of Rs. 1,61,29,660/-.
3. The appellant craves leave to add to or amend/modify or delete any or all of the above grounds of appeal.”

3. Briefly stated the facts are that the assessee is engaged in the business of money transfer which is wholly a commission based business involving accepting the cash from the customers and depositing the same into own bank account and then transferring funds to the customer’s informed bank

accounts, through banking channels. For AY 2018-19, the assessee did not file his original return of income. The case of the assessee was reopened based on the information in the possession of the Department and the assessment order was passed by the Ld. Assessing Officer (**“AO”**) on 14.03.2023 u/s 147 r.w.s. 144B of the Income Tax Act, 1961 (**the “Act”**) by making addition of Rs.1,61,29,660/- being cash deposited during the year which is treated as unexplained money and added to the total income of the assessee u/s 69A of the Act and charged to tax u/s 115BBE of the Act.

4. Aggrieved, the assessee carried the matter before the Ld. CIT(A)/NFAC who dismissed the appeal of the assessee by passing the impugned ex-parte order observing as under :

“7. The issues were considered. Relevant assessment order, statement of facts and grounds of appeal were carefully perused. On perusal of the assessment order and the statement of facts filed by the Appellant, it is found that the issue in dispute in the impugned appeal concerns addition under Section 69A of the Act of Rs. 1,61,29,660/- in respect of cash deposited during the period under consideration. It is further evident from the assessment order that the notice under section 142(1) of the Income Tax Act, 1961 was issued to the appellant asking the appellant to file details /information/ documents. However, the assessee did not file any response or documentary evidence explaining the source of cash deposit in the bank accounts. Therefore, the appellant failed to explain the nature and source of the cash deposits to the satisfaction of the AO. Also, the primary onus cast on the appellant was not discharged by the appellant.

7.1 From the Assessment Order, it is evident that there was Cash deposit of Rs 1,61,29,660/- in the bank account of the appellant the details of which were called for by the Assessing Officer Since appellant has failed to appear before the AO or submit any written submission, the genuineness of the transaction was not found to be established to the satisfaction of the AO as evident from the assessment order. Based on the return filed by the appellant and other information available with the Assessing Officer, it is stated that the primary business of the appellant is money transfer on a commission basis. In this business, appellant collects cash from customers and deposit in to own bank account and then forwarding it to these customers through banking channel, however since the appellant failed to bring on record any material evidence with respect to the same, the same is treated as unexplained money and added to the income of the appellant. After due consideration of all the facts brought on record, it has been categorically stated by the AO in the assessment order that the nature and source of the cash deposits made in the bank accounts and other credit entries were not at all explained. The appellant failed to offer an explanation to the satisfaction of the AO or furnish any supporting evidence.

7.2 At the appellate stage, the appellant has furnished any written submission in support of his claim. However, the written submissions are not supported by documentary evidence to rebut the applicability of the deeming provisions by the AO. The appellant has chosen not to furnish a cogent explanation of the cash deposits along with reliable evidence in support of his contentions and grounds of appeal despite ample opportunity and time allowed during the appellate proceedings. In such circumstances, the undersigned is left with no alternative but to presume that the appellant has no further submissions in support of his averments made in the grounds of appeal. Accordingly, the appeal is being

decided keeping in view the facts brought on record by the AO in the assessment order and by the appellant in the grounds of appeal and statement of facts.

7.3 Based on the material available on record, the appellant's contentions are not acceptable because of specific findings in the assessment order about no evidence being adduced by the appellant to corroborate the claim made. The documents furnished by the appellant during assessment proceedings do not reflect the true and correct accounts to arrive at the total income of the appellant for the year by the AO. The explanations/details furnished by the Appellant during assessment proceedings are incomplete. In the absence of any cogent material to explain the nature and source of this money deposited in the form of cash in the bank account and other credit entries in Bank Account, the stand of the AO cannot be faulted. The appellant failed to explain the nature and source of the cash deposits and other credit entries during the assessment proceedings and even in the appellate proceedings. It is a trite law that once the appellant fails to discharge the onus cast on him to explain the nature and source of any sum of money and does not prove the identity and creditworthiness of the person along with the genuineness of the transactions, the amount is deemed to be the income of the appellant as per the deeming provisions of sections 69 of the IT Act. The genuineness of transactions could not be proved to the satisfaction of the AO during the assessment proceedings.

7.4 Based on the facts mentioned above, detailed discussion in the assessment order by the AO and in the absence of any written submission by the appellant, I am not inclined to interfere with the decision of the AO.

Hence, Grounds of appeal No. 1 to 4 are found to be not maintainable. Accordingly, the same is hereby dismissed.

8. The appellant craves the permission to add, amend, modify, alter, revise, substitute, delete any or all grounds of the appeal, if deemed necessary during the course of appellate proceedings. However, no such option was exercised by the appellant during the appellate proceedings. Hence, this ground is dismissed.

9. In the result, the appeal is dismissed. Order passed under sec 250 read with sec. 251 of the Act."

5. Dissatisfied, the assessee is in appeal before the Tribunal and all the grounds of appeal relate thereto.

6. The Ld. AR, at the outset submitted that the Ld. CIT(A)/ NFAC has not decided the appeal on merits on account of assessee's failure to submit the requisite details/documentary evidence(s) before him. The non-compliance before the Ld. CIT(A)/NFAC was not deliberate. He submitted that the assessee is not well educated and engaged a professional to handle his tax matters and make the necessary compliances. When the assessee received the ex-parte assessment order raising a huge demand, he came to know that the consultant has not attended the matter. He further submitted that the written submission filed by the assessee during the appellate proceedings before the Ld. CIT(A)/NFAC have not been considered by him observing that the submissions were not supported by the documentary evidences to rebut the findings of the Ld. AO. He submitted that the assessee has a strong case on merits and given

an opportunity the assessee is in a position to substantiate its case by filing the all the requisite details/ documentary evidence before the Ld. CIT(A)/NFAC. He, therefore, prayed that in the interest of justice, the matter may be restored to the file of the CIT(A)/NFAC to decide the issues afresh on merits after affording one more opportunity of hearing to the assessee.

7. The Ld. DR, on the other hand, heavily opposed the arguments advanced by the Ld. Counsel for the assessee and submitted that despite number of opportunities granted, the assessee never bothered to file the supporting documents before the Ld. AO and also the Ld. CIT(A)/NFAC. He accordingly submitted that the order of the Ld. CIT(A)/NFAC should be upheld and the grounds raised by the assessee should be dismissed.

8. We have heard the rival arguments made by both the sides, perused the orders of the Assessing Officer and Ld. CIT(A)/NFAC. It is an admitted fact that the assessee failed to file the requisite details/documentary evidence before the Ld. AO and the Ld. CIT(A)/ NFAC which constrained both of them to pass an ex-parte order qua the assessee. Before us, the Ld. AR has explained the reasons for such non-compliance as stated above. We find that the Ld. CIT(A)/NFAC has upheld the findings of the Ld. AO and has himself not decided the appeal on merits of the case due to lack of written submissions with supporting documents/evidences made by the assessee during the appellate proceedings before him. It is the submission of the Ld. Counsel for the assessee that given an opportunity, the assessee is in a position to substantiate its case by filing the requisite details/documentary evidences before the Ld. CIT(A)/ NFAC to his satisfaction.

9. Considering the totality of the facts of the case and in the interest of justice and without going into the merits of the appeal, we deem it proper to set aside the order of the Ld. CIT(A)/ NFAC and restore the matter back to his file for adjudication afresh on merits as per fact and law, after giving one more opportunity of being heard to the assessee. The assessee is also hereby directed to provide correct/active email id to the Department and remain vigilant in receiving the notices and file its reply/ make submissions thereof on the appointed date without seeking any adjournment under any pretext, failing which the Ld. CIT(A)/ NFAC shall be at liberty to pass appropriate order as per law. We hold and direct accordingly. The grounds raised by the assessee are accordingly allowed for statistical purposes.

10. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open court on 31st October, 2025.

Sd/-
(R.K. Panda)
VICE PRESIDENT

Sd/-
(Astha Chandra)
JUDICIAL MEMBER

पुणे / Pune; दिनांक / Dated : 31st October, 2025.
रवि

आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "ए" बेंच,
पुणे / DR, ITAT, "A" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

//सत्यापित प्रति// True Copy//

आदेशानुसार / BY ORDER,

वरिष्ठ निजी सचिव / Sr. Private Secretary
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune