

**IN THE INCOME TAX APPELLATE TRIBUNAL  
COCHIN BENCH**

**BEFORE SHRI INTURI RAMA RAO, AM**

**ITA No. 876/Coch/2025  
Assessment Year: 2011-12**

Mukalel Philip Jose ..... Appellant  
Mukalel House, Pushpagiri, Taliparamba  
Kannur 670141  
[PAN: ACNPJ4619F]

vs.

The Income Tax Officer, Ward-4, Kannur ..... Respondent

Assessee by: ----- None -----  
Revenue by: Ms. Neethu S. Sr. DR

Date of Hearing: 27.11.2025  
Date of Pronouncement: 28.11.2025

**ORDER**

This appeal filed by the assessee is directed against the order of the Commissioner of Income Tax (Appeals), Thane [CIT(A)] dated 20.08.2025 for Assessment Year (AY) 2011-12.

2. Brief facts of the case are that the appellant is an individual deriving income under the head 'Salary'. The return of income for AY 2011-12 was filed on 10.08.2011 declaring total income of Rs. 2,07,790/-. Against the said return of income, the assessment was completed by the Income Tax Officer, Ward-4, Kannur (hereinafter called "the AO") vide order dated 23.01.2014 passed u/s. 143(3) of the Income Tax Act, 1961 (the Act) at total income of Rs.

18,07,790/-. While doing so, the AO made addition of Rs. 16,00,000/- being cash deposits in the bank account for the failure of the appellant to offer any satisfactory explanation.

3. Being aggrieved, an appeal was filed before the CIT(A), who vide the impugned order confirmed the action of the AO for the failure of the appellant to substantiate the explanation in support of the cash deposits.

4. Being aggrieved, the appellant is in appeal before this Tribunal in the present appeal.

5. When the appeal was called on nobody appeared on behalf of the assessee despite due service of notice of hearing. Therefore, we proceed to dispose of the appeal after hearing the learned Sr. DR..

6. The learned Sr. DR submits that the AO made addition only on peak deposits after giving benefit of earlier cash withdrawals from bank account. The appellant had not offered any explanation. Therefore, the addition was rightly made by the AO.

7. The issue in the present appeal relates to the addition of cash deposits of Rs. 16,00,000/-. During the course of assessment proceedings the AO found that the appellant made cash deposit of Rs. 1,00,24,837/-. After granting benefit of earlier cash withdrawals from the bank account the balance amount of Rs. 16,00,000/- was treated as unexplained money of the appellant for the failure of the

appellant to offer any satisfactory explanation as to the source of the cash deposits. However, during the course of proceedings before the learned CIT(A), the appellant offered an explanation that the cash deposits were made out of the advances received on sale of immovable property from one Mr. K.V. Kumaran. However, the CIT(A) had not accepted the explanation solely on the ground that the cheques deposited were not issued by him. I am of the considered opinion that the approach adopted by the CIT(A) is untenable in the eyes of law as the CIT(A) cannot go to the source of source of the cash deposits as addition was made u/s. 69A of the Act. The CIT(A) ought not have rejected the explanation without giving opportunity to the appellant to rebut. Therefore, the matter is restored back to the file of the AO for de novo assessment in accordance with law after affording reasonable opportunity of hearing to the appellant.

8. In the result, the appeal filed by the assessee stands partly allowed for statistical purposes.

Order pronounced in the open court on 28<sup>th</sup> November, 2025.

Sd/-  
**(INTURI RAMA RAO)**  
**ACCOUNTANT MEMBER**

Cochin, Dated: 28<sup>th</sup> November, 2025

n.p.

Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

By Order

Assistant Registrar  
ITAT, Cochin