

आयकर अपीलीय अधिकरण, इंदौर न्यायपीठ, इंदौर
IN THE INCOME TAX APPELLATE TRIBUNAL
INDORE BENCH, INDORE

BEFORE SHRI BHAGIRATH MAL BIYANI, ACCOUNTANT MEMBER
AND
SHRI PARESH M JOSHI, JUDICIAL MEMBER

ITA No. 221/Ind/2025
Assessment Year: 2018-19

Harish Chandra Purohit, 1/2 Hanuman rundi Ratlam kasara Bazar S.O. Ratlam Ratlam	<u>बनाम/</u> Vs.	ITO-1 Ratlam
(Assessee/Appellant)		(Revenue/Respondent)
TAN: ADZPP7749M		
Assessee by	Shri Apurva Mehta & Shri Rajesh Mehta, ARs	
Revenue by	Shri Ashish Porwal, Sr.DR	
Date of Hearing	22.12.2025	
Date of Pronouncement	09.01.2026	

आदेश / ORDER

Per Paresh M Joshi, J.M.:

This is an appeal filed by the Assessee Under Section 253 of the Income Tax Act, 1961 (hereinafter referred to as the Act for sake of brevity) before this Tribunal as and by way second appeal. The assessee is aggrieved by order bearing Number ITBA/NFAC/S/ 250/2024-25/1072694852(1) dated 29.01.2025 passed by Ld. CIT(A), passed U/s 250 of the Act which is hereinafter referred to as the "**impugned order**". The relevant

Assessment Year is 2017-18 and the corresponding previous year period is from 01.04.2017 to 31.03.2018.

2.

FACTUAL MATRIX

2.1 That as and by way of an assessment order **made under section 147 r.w.s. 144 of the Act**, the assessee's total income **exigible** to tax was computed and assessed at **Rs.77,08,140/-**. the income as per the return of income was at **Rs.62,44,140/-**. The income as per the return of income filed in response to **notice u/s 148** was also at **Rs.62,44,140/-**. The addition/variation in respect of issue of unexplained investment u/s 69A was made at **Rs.14,64,000/-**. The details of the opportunities as is recorded in the aforesaid order is reproduced below:

Type of notice/communication	Date of notice/communication	Date of compliance given	Response of the assessee received/not received	Date of response received	Response if type (Full/part/ adjournment)
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Order u/s 148A(d) of the IT Act.	25/03/2022	NA	NA	NA	NA
Notice u/s 148 of the IT Act.	25/03/2022	Within 30 days	Received	ITR is filed on 19/08/2022	Full
Intimation with respect to provisions u/s 144B	17/08/2022	NA	NA	NA	NA
Notice u/s 143(2)	23/09/2022	10/10/2022	Not received	NA	NA
Notice u/s 142(1) of the Act.	14/09/2022	29/09/2022	Not received	NA	NA
Letter with request to make compliance of the notices u/s 142(1)- AU -1	15/11/2022	Within 5 days	Not received	Not received	NA
Notice u/s 142(1) of the Act.	09/01/2023	14/01/2023	Not received	NA	NA
Centralised communication by NaFAC	25/01/2023 By Speed post no. JA161997185IN	Within 5 days	Received	21/02/2023	Sought adjournment
Letter intimating the assessee regarding adjournment	28/02/2023	02/03/2023	Not received	NA	NA
Show cause notice	04/03/2023	10/03/2023	11/03/2023	NA	Part

2.2 That an information was available with the department of income tax on the “**insight portal**” that the assessee has deposited cash of **Rs.14,64,000/-** in his **bank account vide number:-3567087907** held with “**Central Bank of India**” during the period relevant to the assessment year under consideration. That an order under section **148A(d)** of the Act was passed by the assessing officer & a notice u/s 148 of the Act was issued to the assessee on 25.03.2023.

2.3 That the JAO has also mentioned the issue of cash deposit of Rs 20,61,55,000/- in the order under section 148A(d) of the Income Tax Act, 1961, dated 25/03/2022. The JAO(Jurisdictional Assessing Officer), has mentioned in Para 8 of the order under section 148A(d) of the Income Tax Act, 1961, dated 25/03/2022, that the assessee, **Harish Chandra Purohit** claimed that **Rs.20,61,55,000/-** belongs to partnership firm **AP Bullion and Jewellers**. The assessee has also submitted a certificate from Central Bank of India, certifying that the account number 3478077728 is held in the name of AP Bullion and Jewellers. The JAO further held in the Para 10 of the order under section 148A(d), that **the assessee did not have any proper**

explanation with respect to cash deposit of Rs. 14,64000/-

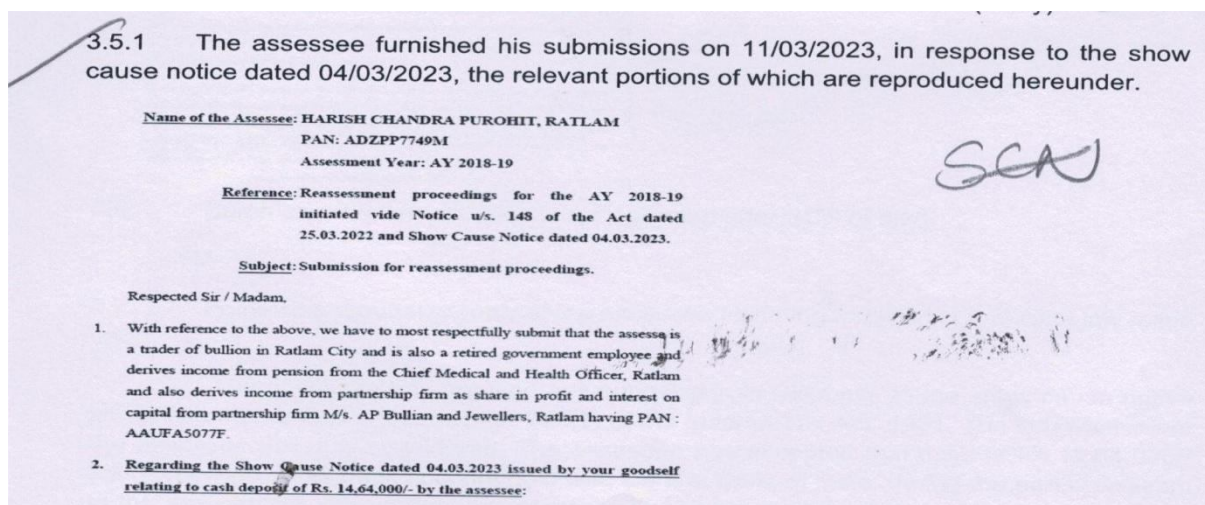
therefore he believed that it was a fit case for issued of notice u/s 148 of the Income Tax Act, 1961.

2.4 That it is also recorded in the aforesaid 'Assessment Order' that the assessee **failed to comply** with the requirements of the **notices** under section **142(1)** of the Income Tax Act, 1961, issued and delivered to the assessee through email and also to the registered account of the assessee. Vide submission filed on 05/12/2022, the assessee has requested for adjournment for three days, **however the assessee did not submitted the necessary details, documents, explanation**, etc., even after the lapse of three days. The assessee again submitted on 21/02/2023, and requested for adjournment for one week, however the assessee again **failed to comply** with the requirements of the **notice under section 142(1)** of the Income Tax Act, 1961. A letter dated 28/02/2023 was issued to the assessee, affording him another opportunity to provide the requisite information, explanation documents, etc., on or before 02/03/2023, however the assessee opted not to respond. Th assessee filed his submissions on 11/03/2023, in response to

the show cause notice date 03/03/2023, the details of which are discussed in paragraph 3.5 below.

2.5 It is also recorded in the aforesaid "Assessment Order" that the assessee failed to **provide the requisite details and documents alongwith explanation through documentary evidences, with respect to nature and source of cash deposited in his bank account in absence of the above mentioned information, explanation documents, etc. the amount of Rs 14,64,000/- is treated as unexplained money under section 69A of the Income Tax Act, 1961, and the same is required to be added to the total income of the assessee for the assessment year under consideration.**

2.6 It is also recorded in the aforesaid assessment order that:



3. The details of the bank account of the assessee maintained with the Central bank of India is Saving bank Account No. 3567087907 maintained with the Central Bank of India, Branch - 37, Tripolia Gate, Ratlam (IFSC Code - CBINCBIN0282198).
4. The date-wise details of amount of cash deposited of Rs. 14,64,000/- in the Bank account of the assessee in Central Bank of India is as under:

Sr. No.	Date	Amount (in Rs.)
1.	28.06.2017	1,000
2.	15.09.2017	45,000
3.	14.12.2017	14,18,000
TOTAL		14,64,000

5. Regarding the above-mentioned cash deposit of Rs. 14,64,000/-, we hereby submit that the assessee is a trader of bullion and the sales proceeds and business income earned therefrom has been deposited in the bank account. As such, no major transactions are done by the assessee in his saving bank account. However, profit earned from business is deposited in the saving bank account. Copy of Bank Statement of bank account of the assessee maintained in Central Bank of India is enclosed herewith as *Annexure 1*.
6. On perusal of the same, your goodself will appreciate that there are no major transactions undertaken by the assessee in the saving bank account of the assessee during the entire year.
7. Further, in respect of the year under consideration, the assessee has declared business income of Rs. 55,98,725/- being profit from bullion trading and as such, the assessee has filed his return declaring net total income of Rs. 68,29,140/-.
8. Copy of ITR-V of ITR filed in response to Notice u/s. 148 of the Act on 19.08.2022 bearing ITR-V Acknowledgment No. 436399880190822 is enclosed herewith as *Annexure 2*.
9. The cash has been deposited out of regular business income and available cash in hand with the assessee and the cash deposited in saving bank account for the purpose of paying advance tax challan only and not for any unaccounted activity. The cash deposit of Rs. 14,18,000/- deposited in the saving bank account of the assessee on 14.12.2017 has been deposited for payment of advance tax only. Advance tax of Rs. 14,18,000/- has been deposited by the assessee on 14.12.2017 bearing Challan No. 00003 and BSR Code - 0282198.
10. Copy of Form No. 26AS of the assessee for the year under consideration AY 2018-19 evidencing Challan of Rs. 14,18,000 deposited by the assessee appearing at Sr. No. 4 of PART C - Details of Tax Paid (other than TDS or TCS) in Form No. 26AS, is enclosed herewith as *Annexure 3*.
11. Your goodself will appreciate that no other cash has been deposited in the account and as such, even cash deposit of Rs. 14,18,000/- has been made out of business income only for paying the advance tax and as such, there is no unaccounted income and no addition should be made to the total income of the assessee and the returned income of the assessee may kindly be accepted.

2.7 In the aforesaid assessment order point-wise rebuttal of the reply of the assessee including analysis of any case law relied upon is reproduced in para 3.7 which is as under:-

"The assessee has not filed any submission in response to the show cause notice as well as the notices under section 142(1) of the Income Tax Act, 1961. The submissions of the assessee are duly considered. The assessee has accepted that cash of Rs.14,64,000/-was deposited in his bank account held with Central Bank of India, during the period relevant to the assessment year under consideration. The assessee has stated in his submission that the cash was deposited for the purpose of payment of advance tax. The assessee has further stated that the cash of Rs.14,64,000/-was out of sale proceeds of his business activities as a trader of bullion. However, the assessee failed to provide the relevant documentary evidences, in support of his claim. It is evident from the records that the assessee failed to provide the details of nature and source of cash deposits made during the year along with documentary evidence. The assessee also failed to provide cash flow statement and the cash book for the year under consideration. No evidence is provided by the assessee which can establish that the cash of Rs. 14,64,000/- was out of sale proceeds of his business activities. The assessee merely stated that the business income of Rs.55,98,725/- and net total income of Rs.68,29,140/- was declared by the assessee in his return of income for the assessment year under consideration. However, no supporting documentary evidence or relevant part of the books of accounts with respect to the business of the assessee, is submitted in support of his claim that the cash of Rs.14,64,000/- was actually the part of his business receipts, and duly accounted in the books of the accounts of the assessee, for the period relevant to the assessment year under consideration. Despite repeated requests, vide notices under section 142(1) of the Income Tax Act, 1961, letters, centralized communication issued by the NaFAC, the

assessee opted not to provide the relevant supporting documents with respect to nature and source of cash of Rs. 14,64,000/-, deposited in the bank account of the assessee, during the period relevant to the assessment year under consideration. In view of the facts narrated hereinabove, the contentions of the assessee are not acceptable and hence the same is rejected."

2.8 In the aforesaid assessment order at para 4 the **conclusion** drawn by the AO is as follows:-

"The assessee has deposited cash of Rs. 14.64.000/- in his bank account vide number 3567087907, held with Central Bank of India, during the period relevant to the assessment year under consideration. In view of the facts and the circumstances mentioned in above paragraphs, it is evident that the assessee failed to provide any satisfactory explanation through documentary evidences with respect to the nature and source of cash of Rs. 14,64,000/- deposited in the bank account of the assessee held with Central Bank of India, during the period relevant to the assessment year under consideration. In absence of any satisfactory explanation through documentary evidences with respect to the nature and source of cash of Rs. 14,64,000/- deposited in the bank account of the assessee, the same is treated as unexplained money under the provisions of section 69A of the Income Tax Act, 1961, and is added to the total income of the assessee, tax on which is computed as per the provisions of section 115BBE of the Income Tax Act, 1961."

2.9 That the aforesaid assessment order bears **No.;** ITBA/AST/S/147/2022-23/1050821634(1) & that same is

dated **15.03.2023** which is hereinafter referred to as the **“Impugned Assessment Order”**.

2.10 That the assessee being aggrieved by the aforesaid **“Impugned Assessment order”** prefers the first appeal u/s **246A of the Act** before the Id. CIT(A) who by the **“Impugned Order”** has dismissed the 1st Appeal of the assessee on the grounds & reasons stated therein. The core grounds & reasons for the dismissal of the 1st Appeal are as under:-

*“5.2 Now in order to adjudicate the matter all the facts of the case, findings of the AO during the assessment proceedings and the submission made by the appellant have been taken due cognizance off. The appellant, in the present appeal, has contended that the cash deposit of Rs. 14,64,000/- in his bank account originated from his business activities involving the sale of bullion, **It has also been claimed that this amount was subsequently utilized for the payment of advance tax, as reflected in Form 26AS** Furthermore, the appellant has asserted that he has disclosed substantial business income in the return of income, which, according to him, justifies the cash deposit in question. However, upon careful examination of the records and submissions, I find that the appellant has failed to discharge the onus of proving the legitimacy of the cash **deposit with cogent and verifiable evidence**, It is a settled principle of law that the burden of proof lies on the assessee to substantiate the source and nature of credits or cash deposits in their accounts. In the present case, **despite multiple opportunities** provided during both assessment and appellate proceedings, the appellant has not furnished **any credible** documentary evidence to support his claim. **No***

cash book, books of accounts, sale-purchase invoices, stock registers, shop registration/license, or any other corroborative documents have been submitted to substantiate the existence and scale of the alleged bullion trading business or the claim that the cash deposit represents business receipts. It is pertinent to mention that the payment of advance tax by the appellant, though indicative of tax compliance, does not automatically validate the genuineness or source of the cash deposited. Advance tax is a mechanism for discharging tax liability on declared Income, but it does not, in itself, establish the legitimacy of the source of funds. The mere fact that the appellant has reported business income in the return of income is insufficient to conclusively prove that the cash deposit in question is accounted for and has been derived from genuine business transactions. In the absence of any documentary evidence establishing a direct nexus between the declared business income and the cash deposit, the claim remains unsubstantiated. Now lastly, the appellant has taken another plea that the source of cash deposit of Rs. 14,64,000/- was out of business income (business debtors - ie. trade receivables) as surrendered during the course of Survey u/s. 133A of the Act which has been duly included in the return of income of Rs. 68,29,140/- wherein tax was paid at Rs. 25,48,900/-, However, on going through the statement recorded during survey action, it could not be substantiated that the appellant has declared the same cash as deposited while making payment of advance tax. Earlier, the appellant has vehemently contended that source of cash deposit was originated from business income. However, no such proof regarding sale bills, purchase bills, cash books were submitted which proves that source of said deposit was out of sale of business income. It is well-settled by judicial precedents that unexplained cash deposits in an appellant's bank account, in the absence of credible evidence regarding their source, attract the deeming provisions of Section 69A of the Act. The onus is on the assessee to provide a satisfactory explanation with documentary proof;

failure to do so leads to the presumption that the amount represents undisclosed income. The appellant's failure to furnish substantive proof to support his claim leaves no other conclusion but to uphold the addition made by the AO. Furthermore, the appellant has raised objections to the reopening of the case. These objections have been examined in detail. It is observed that the appellant did not raise any objections during the issuance of the notice under Section 148A(1)(d) or throughout the assessment proceedings. The objections now raised during the appellate proceedings lack merit and appear to be an afterthought. The reopening of the case was carried out by the AO after obtaining prior approval from the competent authority and in compliance with the procedural requirements prescribed by the CBDT, Therefore, the objections raised by the appellant in this regard are devoid of any substance and are dismissed. In view of the foregoing discussions. I find no infirmity in the action of the AO in treating the cash deposit of Rs. 14,64,000/- as unexplained money under Section 69A of the Act. Accordingly, the addition made by the AO is hereby confirmed, and all the grounds raised by the appellant are hereby dismissed.

6. In the result the appeal is Dismissed."

2.11 That the assessee being aggrieved by the "**Impugned Order**" has preferred the instant second appeal before this tribunal & has raised the following grounds of appeal in the form no.36 against the "**Impugned Order**" which are as under:-

"The below mentioned grounds of appeal are independent and without prejudice to each other:

1. The Ld. CIT(A), NFAC has erred in confirming the addition of Rs. 14,64,000/- made by the Ld. AO on account of cash deposited in the bank account of the assessee under section 69A r.w.s 115BBE of the Act:

1.1 On the facts and in the circumstances of the case and in law, the Ld. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre [the Ld. CIT(A), NFAC] has erred in confirming the action of the Ld. Assessing Officer, National Faceless Assessment Centre (the Ld. AO) by upholding the addition of Rs. 14,64,000/- made by the Ld. AO which is wrong and contrary to the facts of the case and provisions of the Act. Thus, the Order of the Ld. CIT(A), NFAC is liable to be quashed.

1.2 On the facts and in the circumstances of the case and in law, the Ld. AO has erred in making addition of Rs. 14,64,000/- without considering the facts of the case and without appreciating that the assessee has deposited cash of Rs. 14,64,00/- in the bank account from the business income of the assessee which is duly disclosed in the return of income filed by the assessee and thus, the addition of Rs. 14,64,000/- u/s. 69A r.w.s 115BBE of the Act would lead to double taxation and the addition is wrong and contrary to the facts of the case and provisions of the Act and is liable to be deleted.

1.3 On the facts and in the circumstances of the case and in law, the Ld. AO has erred in not appreciating that out of cash deposited of Rs. 14,64,000/- in the bank account, the assessee has deposited cash of Rs. 14,18,000/- on 14.12.2017, which has been utilized only for payment of advance tax challan of Rs. 14,18,000/- on 14.12.2017 itself which is being included in Form No. 26AS under SFT Information and in the Income tax return filed by the assessee, and as such, the same cannot be treated as unaccounted income u/s. 69A r.w.s 115BBE of the Act. Thus, the addition of Rs. 14,64,000/- is liable to be deleted.

1.4 On the facts and in the circumstances of the case and in law, the Ld. AO has erred in invoking the provisions of

Section 69A r.w.s. 115BBE of the Act without appreciating that the cash deposited is out of business income and the provisions of Section 69A of the Act and Section 115BBE of the Act cannot be invoked on the business income. Thus, the action of the Ld. AO of invoking Section 69A r.w.s 115BBE of the Act is against the facts of the case and provisions of the Act and is liable to be quashed and the addition is liable to be deleted.

2. The Ld. AO has erred in initiating the reassessment proceedings:

2.1 On the facts and in the circumstances of the case and in law, the Ld. AO has erred in initiating the reassessment proceedings, merely for the purpose of making roving inquires without any fresh tangible material on record and without having and information which suggests that any income chargeable to tax has escaped assessment. Thus, the reassessment proceedings are liable to be set aside and the Assessment Order dated 15.03.2023 is liable to be quashed.

2.2 On the facts and in the circumstances of the case and in law, the Ld. AO has erred in initiating the reassessment proceedings, on the basis of incorrect information mentioned in Notice u/s. 148A(b) of the Act and without completely considering the case record and the return of income filed by the assessee. Thus, the reassessment proceedings are liable to be set aside and the Assessment Order dated 15.03.2023 is liable to be quashed.

2.3 On the facts and in the circumstances of the case and in law, the reassessment proceedings have been initiated without independent application of mind merely on the basis of suspicion, without any evidence against the assessee and on the basis of vague information and incorrect information provided in the Notice u/s.148A(b) of the Act and as such, the reassessment proceedings initiated on the basis of incorrect information are liable to be quashed.

2.4 On the facts and in the circumstances of the case and in law, the reassessment proceedings are wrong and contrary to the provisions of Section 147, Section 148, Section 148A and Section 151 of the Act.

The appellant craves leave to add, alter, amend or withdraw any of the grounds of appeal."

3.

Record of Hearing

3.1 That the hearing in the matter took place before this Tribunal on 19.11.2025 when Ld. AR for and on behalf of the assessee contended that the **"Impugned Order"** is bad in law, illegal & not proper. It thus deserves to be set aside by this tribunal. The Ld. AR has placed on record of this Tribunal a paper book containing additionally pages 1 to 13 & **has also additionally submitted a letter** dated 26.11.2025 wherein an affidavit of the assessee dated 25.11.2025 is placed along with the **"copy of diary pages"** impounded during the course of survey u/s 133A of the Act. It was submitted that in **the aggregate cash of Rs.14,64,000/- was deposited in three transactions of each of Rs.1000, Rs.45,000/- & Rs.14,18,000/- respectively.** The source of such deposit is business income of the assessee. It was submitted that this income is added & is

causing hardship to the assessee as it was out of the recovery from the business debtors of bullions. It was submitted that a survey was held u/s 133A when the income of Rs.55,98,725/- was surrendered as the business income. The sum of Rs.7 lakhs was surrendered as **"capital"** for doing business of trading of **"bullion"**. It was submitted that Rs.55,98,725/- was assessee's business income which was from the business **"debtors"[Bullions]**. Our attention was then invited to the page 11 of the PB which was a survey statement of **"one Anil Kumar Purohit partner of M/s AP Bullion & Jewellers Ratlam [son of shri Harish Purohit (father)] u/s 133A of the Act dated 09.10.2027 basis that** it was sought to be submitted & stated that his father during the financial year 2017-18 had carried out a business of "purchase & sale of Bullions" which business was closed on Sep 2017. In Annexure BF-4 [diary pages] [anand note book] there are names of debtors of my father with whom he had the business dealings. The list contains name of debtors. Basis PB page 6 which is extract of pass book of the central bank of India, Ratlam-457001 of **"Harish Chandra Purohit"(the asesee herein)** it was submitted that on 28.06.2017, the sum of

Rs.1000/- was deposited in cash, on 15.09.2017 sum of Rs.45000/- was deposited in cash & on 14.12.2017 another sum of Rs.14,18,000/- was deposited in cash. It was submitted that it is business income realised & recovered from the debtors of bullion business. Basis the computation of income on page 2 of PB it was submitted that the business income for A.Y.2018-19 was Rs.59,11,574/-. Net profit as per P/L account was Rs.55,98,725/- wherein the income surrendered during the survey is included. Basis PB page 3 it was also submitted that the income surrendered in survey u/s 68 was Rs.7 lakh[capital]. With regard to the query raised by the bench with regard to nature & sources of Rs.14,64,000/- (supra) it was submitted that the **"details of debtors"** would be provided on the next date of hearing. Per contra the Ld. DR submitted that there was a survey on the firm & readout page 12 of PB which was statement dated 09.10.2017 of the **son of the assessee** & stated that nothing about the nature & sources of business income is stated & so avered minutely & expressly. The matter was then adjourned as part heard for 22.12.2025.

3.2 On 22.12.2025 the Ld. AR appeared & placed reliance on the affidavit dated 25.11.2025 of the assessee which is reproduced below;-

**BEFORE THE HON'BLE INCOME TAX APPELLATE TRIBUNAL,
INDORE BENCH, INDORE**

(APPELLANT) (RESPONDENT)

**HARISH CHANDRA PUROHIT, vs. INCOME TAX OFFICER - 1,
RATLAM RATLAM
PAN : ADZPP7749M**

**Appeal Number: ITA No. 221/Ind/2025
Assessment Year: 2018-19
Date of Hearing: 4th December, 2025**

AFFIDAVIT

I, **HARISH CHANDRA PUROHIT** (hereinafter referred to as 'I' or 'the assessee'),
having PAN Card Number: ADZPP7749M and Aadhaar Card Number: 291513427088,
do hereby state as under: *Age 82 S/O Bhaiji Narayan Purohit Add: 1/2 Hanuman Rathi Ratlam (M.P.)*

1. THAT a Survey u/s. 133A of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') on M/s. A.P. Bullian and Jewellers, Ratlam (PAN: AAUFA5077E) conducted on 09.10.2017, of which, I am a Partner.

ATTESTED

Rajni Purohit
Advocate & Notary
Regd. No. 14970 Ratlam (M.P.)
Mob. 9827004308

2. THAT during the course of Survey u/s. 133A of the Act, Income of Rs. 55,98,725/- was surrendered as my business income being business debtors and Rs. 7,00,000/- was surrendered as my Capital for doing business of trading of bullion.
3. THAT I have deposited aggregate Cash of Rs. 14,64,000/- in my Bank Account during the entire Financial Year 2017-18 relevant to AY 2018-19, being Rs. 1,000/- deposited on 28.06.2017, Rs. 45,000/- deposited on 15.09.2017 and Rs. 14,18,000/- deposited on 14.12.2017.
4. THAT it is hereby stated that the cash deposited of Rs. 14,18,000/- deposited in the bank account is out of recovery from business debtors surrendered during the course of survey business income of Rs. 55,98,725/-.
5. THAT I have not taken any double benefit of capitalization.

Wri

ATTESTED

HARISH CHANDRA PUROHIT

(Appellant)

Signed at RATLAM, this 25th day of November, 2025.

VERIFICATION

I, **HARISH CHANDRA PUROHIT**, the above named deponent do hereby verify on oath that the contents of the affidavit above are true to my personal knowledge and nothing has been concealed or falsely stated.

Wri

ATTESTED

HARISH CHANDRA PUROHIT

(Appellant)

Verified at RATLAM, this 25th day of November, 2025.

Rajni Joshi
Rajni Joshi
Advocate & Notary
Regd. No. 14970 Ratlam (M.P.)
Mob. 9827004308

25 NOV 2025

In so far as the **"list of debtors"** were concerned whose details were promised to be provided on the last hearing date i.e.19.11.2025 the reliance was placed on BF-4 (16 pages)(diary pages) submitted with the letter dated 26.11.2025 (supra). Copy of diary pages impounded during the course of survey u/s 133A of the Act. It was sought to be contended basis BF-4 that the names therein are of the debtors & that the business income was realised/recovered as & by way of the recovery made from them including the amount of Rs.14,64,000/- & same was utilised from the payment of Tax. **Per contra the Ld. DR** for the revenue stated that no valid sources, with the material details have come on record till date. The Ld. AR also submitted that sum of Rs.14,64,000/- so deposited in cash was utilised for payment of taxes on the surrendered income. It was also stated that it is part & parcel of the business income realised from the business debtors & hence double taxation. **The assessee has no books of accounts.** Attention was invited to P11 Q9 of PB. It is unexplained debtor's income recovered basis diary pages(supra) & paid as taxes. In the rejoinder the Ld. DR submitted that no such submissions which are now canvassed were urged before

the Ld. AO & Ld. CIT(A). The submissions are contrary & has no basis at all & are not on record. Hearing was then concluded as heard.

4. Observations & findings & conclusions

4.1 We now have to decide the legality, validity and propriety of the **“impugned order” basis records of the case.**

4.2 We have carefully perused the records of the case and have heard the rival submissions canvassed before us.

4.3 We basis records of the case & after hearing & upon examining the contentions of the Ld. AR & Ld. DR are of the considered opinion that it is an undisputed position & the fact that sum of Rs.14,64,000/- in three different transactions of Rs.1000 on 28.06.2027, Rs.45000/- on 15.09.2017 & Rs.14,18,000/- on 14.12.2017 came to be deposited in cash in the assessee's account with the **“Central Bank of India”**. It is the case of the assessee that advance tax of Rs.14,18,000/- came to be paid on 14.12.2017 bearing challan no.00003 & BSR code:- 0282198. Copy of form 26AS of the assessee for A.Y.2018-19

evidences challan of Rs.14,18,000/- at serial no.4 of part C. Details of tax paid. The entire stand of the assessee was that this amount of Rs.14,18,000/- which was deposited was part & parcel of the business income of the assessee which was utilised for paying the tax and as such income is not an unaccounted, Income & no addition should be made on this score. However at the fag end of the hearing the Ld. AR had additionally submitted few explanations too. Per contra Ld. DR has stated that no such explanation was offered before the lower authority i.e the Ld. AO & the Ld. CIT(A). Hence in view of fresh submissions which are not part of the record we deem it fit & proper to set aside the impugned order & remand the case back to the file of the Ld. AO with a direction to the assessee to place on record before the Ld. AO all the evidences, supportings [cogent & verifiable] basis which such amount of Rs.14,64,000/- was deposited or such other explanations with supportings [cogent & verifiable] so that assessee's correct total income could be computed & assessed afresh according to law. The Ld. CIT(A) in this regard would take into consideration entire gamut of the case & the surrounding

circumstances & then shall pass a well reasoned & speaking order on merits.

4.4 In view of the premises drawn up by us, the impugned order is set aside as and by way of remand back to the file of the Ld. AO on denovo basis with directions as contained in para 4.3 (supra).

5.

Order

5.1 In the result- the Impugned order is set aside as and by way of remand with directions as aforesaid.

5.2. In result, appeal of the assessee is allowed for statistical purpose.

Order pronounced in open court on 09.01.2026.

Sd/-

Sd/-

(BHAGIRATH MAL BIYANI)
ACCOUNTANT MEMBER

(PARESH M JOSHI)
JUDICIAL MEMBER

Indore

दिनांक /Dated : 09/01/2026
Patel/Sr. PS

Copies to: (1) The appellant
(2) The respondent
(3) CIT
(4) CIT(A)
(5) Departmental Representative
(6) Guard File

By order

Senior Private Secretary
Income Tax Appellate Tribunal
Indore Bench, Indore