

IN THE INCOME TAX APPELLATE TRIBUNAL
“SMC” BENCH, PATNA
(VIRTUAL HEARING AT KOLKATA)

SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER

ITA No. 468/PAT/2025
Assessment Year : 2019-20

Shiya Sharan Roy, S/o Ramchandra Roy, Phullia Tola, Mobarkpur, Phulwari Sharif, Patna - 801505 [PAN: DQUPR5567N]	Vs.	Assessment Unit, Income Tax Department,
APPELLANT		RESPONDENT

Assessee by	:	None
Revenue by	:	Shri Manab Adak, JCIT

Date of hearing	:	14.01.2026
Date of Pronouncement	:	16.01.2026

ORDER

This is an appeal filed by the assessee against the order passed u/s 250 of the Income Tax Act, 1961 (hereafter “the Act”) by the Ld. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi [hereafter “the Ld. CIT(A)] dated 24.09.2025, DIN & order No. ITBA/NFAC/S/250/2025-26/1081126147(1) challenging the appellate order passed u/s 250 of the Act and contending that the Ld. CIT(A) has confirmed the addition made u/s 69A of the Act for Rs. 5,50,000/- time deposits made in the bank account.

2. Briefly stated that facts of the case are that the assessee did not file any return of income u/s 139 of the Act an information has been

placed online portal under the head “Non-filer “RMS category” for FY 2018-19 and under Risk Management Strategy framed by the Board. The case was taken up and notice was issued u/s 148A of the Act. Accordingly, order u/s 148A(d) and u/s 148 of the Act was issued to the assessee on 25.03.2023. During the course of assessment proceedings, various opportunities were given to the assessee and assessee submitted its reply on 04.01.2024 in which it has stated that the assessee has made time deposit of Rs. 5,50,000/- out of funds received from share (the assessee’s late father sold the agricultural land for consideration of Rs.15,00,000/-) vide NEFT bearing No. SBIN – 518177561385 dated 26.06.2018. The AO issued notice to the bank u/s 133(6) of the Act calling for bank statement for the period from 01.04.2018 to 31.03.2019 on perusal of the bank statement of the assessee it was seen that vide NEFT bearing No. SBIN – 518177561385 dated 26.06.2018 an amount of Rs. 5,50,000/- was deposited in the assessee’s bank account. Accordingly, the AO observed that the assessee is unable to explain the source of cash of Rs. 5,50,000/-. The AO after referring to section 69A of the Act and judgment of Hon’ble Apex court in the case of Chuharmal, S/o Takarmal Mohnani, M.P, Bhopal made addition and observed that the assessee could not explain the source of time deposit.

3. Aggrieved from the above order, the assessee filed an appeal before the Ld. CIT(A) (NFAC). The Ld. CIT(A) confirmed the order of the AO.
4. Aggrieved from the above order, the assessee filed appeal before the ITAT.
5. None present on behalf of the assessee.

6. On the other hand, the Ld. DR relied on the orders of the lower authorities and submitted that during the course of assessment proceedings as well as appellate proceedings, the assessee could not explain the source of time deposit to Rs. 5,50,000/- and various opportunities were granted by both the authorities. Therefore, he requested that the order of Ld. CIT(A) is upheld.

7. Considering the submissions of the ld. DR and documents available , I noted that the issue in disputed is only regarding time deposit made by the assessee for Rs. 5,50,000/- from the bank account noted supra and it is undisputed fact that the amount has been transferred through NEFT and noted by the AO and it is also confirmed by in the bank as statement obtained by the AO after issuing notice u/s 133(6) of the Act for the FY 2018-19 where it is clear that the amount has been transferred and credit into bank account of the assessee and the same amount has been utilised for making time deposit. I noted from the page no. 5 of the AO that the AO himself has observed as “it is in undisputed fact that the assessee had received funds which were not shown reflected by the assessee in the income tax department for AY 2019-20”. It is clear from the findings of the AO that the amount has been received through transfer through NEFT noted supra i.e. source is explained. Therefore, addition cannot be made u/s 69A of the Act and the AO has also not disputed the fact that the amount has been received from his father’s bank account of Rs. 15,00,000/- out of which the amount has been transferred into the assessee’s bank account. Therefore, the AO is not justified to make addition u/s 69A of the Act The addition of Rs. 5,50,000/- is not justified.

8. In the result, appeal of the assessee is allowed.

Order pronounced on 16.01.2026

Sd/-
(Laxmi Prasad Sahu)
Accountant Member

Dated: 16.01.2026

AK, Sr. P.S.

Copy of the order forwarded to:

1. Appellant
2. Respondent
3. Pr. CIT
4. CIT(A)
5. CIT(DR)

//True copy//

By order

Assistant Registrar, Kolkata Benches