

**IN THE INCOME TAX APPELLATE TRIBUNAL
AMRITSAR BENCH, AMRITSAR.**

**BEFORE SH. MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER
AND
SH. UDAYAN DASGUPTA, JUDICIAL MEMBER
(Physical Hearing)**

**I.T.A. No. 325/Asr/2023
Assessment Year: 2017-18**

Amarjit Singh, Prop. Prince Engineers, 411, Kalia Colony, Focal Point Punjab. [PAN:-AOHPS4382L] (Appellant)	Vs.	ITO, Ward-2(1), Jalandhar. (Respondent)
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Appellant by	None.
Respondent by	Sh. Charan Dass, Sr. DR

Date of Hearing	19.01.2026
Date of Pronouncement	22.01.2026

ORDER

Per: Udayan Dasgupta, J.M.:

This appeal is filed by the assessee against the order of Id. CIT (A), NFAC, Delhi, passed u/s 250 of the Act, 1961 vide order dated 18.10.2023 which has emanated from the order of the AO, ITO, Ward -2(1), Jalandhar, passed u/s 144 r.w.s. 147 of the Act, vide order dated 31.12.2019.

2. There are four grounds of appeal preferred by the assessee relating to a single issue pertaining to an addition of Rs. Ten lakhs (Rs.10,00,000/-), u/s 69A sustained in first appeal.

3. The assessee filed an application before the bench, seeking time for furnishing of additional documentary evidences in support of which he proposes to explain the source of cash deposit in bank account during demonetisation period.

4. The facts in brief are that the assessee is engaged in the business of trading of hardware goods and pipe fittings, and has deposited an amount of Rs. 10 lakhs in cash in his PNB A/c No XXXXXXXX 50289 during the demonetisation period, but no return has been filed in response to notice u/s 142(1) of the Act, even though a paper return was prepared and taxes duly paid on presumptive basis admitting turnover of Rs.43.17 lakhs (supported by VAT returns) and profits declared at Rs.4.81 lakhs, but no return could be uploaded in the portal due to illness of his accountant.

5. The assessment completed with an addition of Rs. Ten lakhs u/s 69A of the Act was challenged in first appeal, where the assessee explained the cash deposit to have been sourced out of opening cash balance available as on the first day of April, 2016, which is supported by the figures of closing cash of Rs.16.12 lakhs, declared in the revised income tax returns for the Asst year

2016-17, a theory which has been rejected by the Ld. first appellate authority in absence of significant cash sales to generate the funds .

6. Now before the tribunal the assessee seeks to file additional documentary evidences in support of his contention of availability of cash for which this adjournment application has been moved.

7. We are of the opinion that additional documentary evidences needs to be examined by the AO at the very first stage regarding its authenticity and genuineness and since the assessee has cooperated at all stages before the AO in assessment proceedings and also before the Ld. first appellate authority, with whatever documents available in his possession , trying to prove the source of his cash availability (though not up to the satisfaction of the revenue), we are of the view that one more opportunity may be allowed to the assessee to satisfactorily explain the source of cash deposit, with additional documentary evidences, which he now seeks to produce.

8. The Ld. DR relied on the order of the Ld. CIT(A) but has no objection if the matter is remanded for examination of fresh documents.

9. As such in the interest of justice we set aside the matter to the files of the AO for a fresh assessment, after considering the fresh documentary evidences which the assessee seeks to file in support of his contention and to fully explain

the source of cash deposit to the satisfaction of the AO and we direct the assessee to fully cooperate in the fresh assessment proceedings.

10. The assessee will be allowed reasonable opportunity of being heard.
11. We have not expressed any opinion on merits.
12. In the result the appeal of the assessee is allowed for statistical purpose.

Order pronounced on 22.01.2026 in the Open Court

Sd/-

(MANOJ KUMAR AGGARWAL)
Accountant Member

Sd/-

(UDAYAN DASGUPTA)
Judicial Member

AKV

Copy of the order forwarded to:

- (1)The Appellant
- (2) The Respondent
- (3) The CIT
- (4)The DR, I.T.A.T.

True Copy
By order