

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'A', NEW DELHI**

**BEFORE SHRI MAHAVIR SINGH, HON'BLE VICE PRESIDENT
&
MRS. RENU JAUHRI, HON'BLE ACCOUNTANT MEMBER**

ITA No. 6345/DEL/2025; Assessment Year: 2016-17

Majinder Kaur Chaniana Plot No. 191A Baba Buddhaji Nagar Indorea Chowk Teka Naka Nagpur- 440017 Maharashtra	Vs	Assessment Unit
(APPELLANT)		(RESPONDENT)
PAN No. AOAPC7142K		

Assessee by : None

Revenue/Department by : Shri A.K. Arora, Sr. DR

Date of Hearing: 19.01.2026	Date of Pronouncement: 19.01.2026
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ORDER

PER RENU JAUHRI :

The above captioned appeal is preferred by the Revenue against the order dated 15.04.2025, passed by Ld. CIT/NFAC, Delhi u/s 250 of the Income Tax Act, 1961 (hereinafter referred to as, "Act") in Appeal No. NFAC/2015-16/10395203.

2. At the threshold, it is noted that the appeal is time-barred by 99 days. Affidavit in support of condonation of delay has been filed by the assessee. It has been submitted that the assessee was suffering from health issues and therefore could not file the appeal in time. She has requested for condonation as

the delay was due to *bonafide* reasons. After hearing both the parties, we are of the view that the delay of 99 days was on account of reasonable cause and, therefore, is hereby condoned.

3. The assessee has raised following grounds of appeal which are reproduced as under:

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1. *That, the mode of operate of transporting business is, the appellant has to make advance payment to vehicle owner mostly in cash for fuel and other operating expenses and for the ease of business transaction, appellant had also demanded advance amount from consignor's and many times the consignor had paid cash or directly deposited cash in the appellant's bank account. However, this fact was also known by the tax authorities, as **there's a special exception u/s 40(A)(3) of the Income tax Act, 1961: when paying for hiring, leasing, or plying vehicles used to carry goods (like trucks), the limit goes up to Rs.35,000/-.***
2. *That, the Ld. A.O. has erroneously considered the entire amount of cash deposits during the assessment year as the assessee's income. This conclusion was reached without taking into account the cash withdrawals made by the assessee during the same period. The AO has failed to differentiate between gross deposits and actual income, leading to an inflated and incorrect assessment.*
3. *The Ld. AO has not applied a judicial mind while computing the taxable income. The assessment was conducted without considering the possibility that the cash deposits could be redeposits of previously withdrawn amounts, business transactions, or other non-income related deposits. By treating the total deposits as income, the Ld. AO has disregarded the principle of real income and the actual financial transactions of the assessee.*
4. *That, the assessee has committed only a technical breach of the provision of the Act and was of inadvertent in nature and not intentional one.*
5. *In this regard, the appellant Would like rely on following case Laws:*

- (i) *Dineshkumar Dalsangbhai Chaudhary Kankavati Society Vs ITO (ITAT Ahmedabad).*
- (ii) *ACIT (New Delhi) vs Raj Bajwa, ITA No. 4830/Del/2024 (ITAT Delhi)*
- (iii) *Ashok Kumar Vs PCIT (ITAT Delhi), ITA No. 500/Del/2022.*

- 6. *That, the Appellant craves leave to add to, alter, amend, modify, substitute, delete or rescind or any of the GROUNDS OF APPEAL on or before Final Hearing if necessary so arise.*
- 7. *Kindly, stay the demand for recovery of income tax, interest and penalty issued by the Ld. A.O. under said case.*

4. Brief facts of the case are that the assessee was a non-filer for A.Y. 2016-17 as per the information available on the insight portal of the department. Substantial cash deposits and contract receipts were found deposited in assessee's bank accounts and, therefore, a notice u/s 148 was issued by the Ld. AO. As no compliance was made to any of the notices issued by Ld. AO, the assessment was completed u/s 147 r.w.s 144 r.w.s 144B of the Act at an income of Rs. 55,12,275/- vide order dated 01.03.2024. Aggrieved, the assessee preferred an appeal before the Ld. CIT(A).

4.1 As the assessee failed to submit the satisfactory reply or supporting documentary evidences, Ld. CIT(A) dismissed the appeal vide order dated 15.04.2025. Further aggrieved, the assessee has filed the present appeal before the Tribunal.

5. On the date of hearing, none appeared on behalf of the assessee. We have heard the Ld. DR and perused the material available on record. We note that the assessee has not made any compliance before the lower authorities. However, in the interest of justice, we deem it appropriate to grant him one more opportunity and, therefore, restore the matter to Ld. AO for fresh consideration. The assessee is also directed to be vigilant and make requisite compliance before the Ld. AO.

Order pronounced in the Open Court on 19-01-2026.

Sd/-
(MAHAVIR SINGH)
VICE PRESIDENT

Sd/-
(RENU JAUHRI)
ACCOUNTANT MEMBER

Dated: 22.01.2026

Pooja Mittal

Copy forwarded to:

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

Asstt. Registrar, ITAT, New Delhi