

**IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA 'B' BENCH, KOLKATA**

Before

**SHRI GEORGE MATHAN, JUDICIAL MEMBER
&
SHRI RAKESH MISHRA, ACCOUNTANT MEMBER**

**ITA No.: 2361/KOL/2025
Assessment Year: 2018-19**

Garrah SKUS Limited (Appellant)	Vs.	ITO, Ward-3(1), Bankura (Respondent)
PAN: AABAG3668C		

Appearances:

Assessee represented by : Himadri Mukhopadhyay, Adv.

Department represented by : S.B. Chakraborty, Sr. DR.

Date of concluding the hearing : 02-January-2026

Date of pronouncing the order : 28-January-2026

ORDER

PER RAKESH MISHRA, ACCOUNTANT MEMBER:

This appeal filed by the assessee is against the order of the Commissioner of Income Tax (Appeals)-NFAC, Delhi [hereinafter referred to as Ld. 'CIT(A)'] passed u/s 250 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') for AY 2018-19 dated 27.08.2024.

1.1 The Registry has informed that the appeal is barred by limitation by 356 days. The assessee has filed a petition for condonation of delay explaining the reasons that after receiving the appeal order through electronic mode on 27.08.2024, the same was handed over to the Ld. Counsel for the assessee Suman Patra, Advocate for filing the second appeal. However, on 17.10.2025 when the assessee received a copy of the garnishee order u/s 226(3) dated 15.10.2025 by hand, the assessee came to know that the appeal could not be filed as the appeal papers were kept in some other file by mistake. It was submitted that the delay had arisen because of the inaction on the part of the counsel of the

assessee and was because of *bona fide* mistake. The assessee therefore, has requested that the delay may be condoned and the appeal may be decided on merits. After perusing the same, we are satisfied that the assessee had a reasonable and sufficient cause and was prevented from filing the instant appeal within the statutory time limit. We, therefore, condone the delay and admit the appeal for adjudication.

2. The assessee is in appeal before the Tribunal raising the following grounds of appeal:

“1. For that an ex parte order of assessment and dismissal of appeal on ground of limitation are illegal, improper and arbitrary in nature.

2. For that Ld. AO, NFAC, in consideration of the facts and circumstances of the matter, erred in treating deposits of the members of the appellant society for Rs. 56,23,967/- as unexplained money u/s 69A and payment of Rs. 3750/- as unexplained expenditure u/s 69C and taxed u/s 115BBE and the Ld. CIT(A), NFAC, in dismissing the appeal on ground of limitation, made it an absolute mandate.

3. For that the appellant, being an AOP and registered under West Bengal Co-operative Act, is a mutual concern and not tainted with an element of commerciality and hence, not exigible to income tax.

4. For that the appellate reserves its right to add to, to alter and to amend the ground(s) and adduce paper(s) and documents at the time of hearing.”

3. Brief facts of the case are that specific information was flagged as per Risk Management Strategy formulated by the CBDT through ITBA software under the head 'NMS cases' that the assessee had made Cash deposit of ₹56,23,967/- in the bank Bankura District Central Co-operative Bank account No. 606108073957, account No. 110002116329 and account No. 110001888911 during FY 2017-18. The amount had been deposited in the three accounts as ₹51,15,000/-, ₹3,54,883/- and ₹1,53,584/-, respectively and the assessee had not filed the return of income. As the sources of cash deposits in the bank accounts remained unexplained, therefore, the proceedings u/s 148A



of the Act were initiated and as the assessee did not furnish any reply in response to the opportunity of being heard provided as per section 148A(b) of the Act, a notice u/s 148 of the Act was issued. However, the assessee did not furnish any reply to the notices issued by the Assessing Officer (hereinafter referred to as Ld. 'AO') including the show cause notice issued u/s 144 of the Act. The Ld. AO made the assessment to the best of his judgment and added a sum of ₹56,23,967/- being the cash deposited in the bank accounts and another sum of ₹3,750/- on account of contractual receipt, the source of which was not explained and the assessment was made at the total income of ₹56,27,717/- u/s 147/144/144B of the Act. Aggrieved with the assessment order, the assessee filed an appeal before the Ld. CIT(A) who noted that the appeal was delayed by 145 days and held that there was no sufficient cause for the delay and dismissed the appeal of the assessee without discussing the merits of the case.

4. Aggrieved with the order of the Ld. CIT(A), the assessee has filed the appeal before the Tribunal.

5. The assessee has submitted the reason for the delay in filing the appeal before the Ld. CIT(A), which is extracted as under:

"We had received the order dated 15 March 2023 (impugned order) from the Assessment unit. Income Tax Department making an adjustment of Rs.56,27,717 to the returned income of the Appellant under Section 147 of the Act. In the said assessment order passed u/s 147 of the Act, the assessment unit of the National Faceless Assessment Centre had made an addition on account of unexplained money under section 69A and had also disallowed an expenditure on account of unexplained expenditure under section 69C of the Act and consequently raised a demand of 92,69,974. However, no appeal could be preferred before the Commissioner of Income-



tax Appeals (CIT(A) (within the specified due date i.e. 14th April 2023) against the aforesaid impugned order, because the office of the Appellant is situated in a rural area with a very limited access to the internet and lack of awareness of electronic communication. Further, the office bearers are also illiterate and villagers they could not understand the implications of non filing of such appeal on time. Therefore, we could not file the appeal within the due date of 30 Days. In view of the above difficulties, we are now preferring an instant appeal before the Learned CIT(A) with a delay of 145 days.”

6. The Ld. CIT(A) did not find it as sufficient cause. The Bench was of the view that the reasons mentioned being the assessee situated in a rural area with very limited access to the internet and lack of awareness of electronic communication and the assessee being a Society and not being guided correctly as even the appeal filed before the Tribunal is also delayed on account of the appeal papers being missed, there was sufficient cause for the delay and the delay ought to have been condoned by the Ld. CIT(A). Therefore, we set aside the order of the Ld. CIT(A) as the merits of the case have not been discussed and the appeal has been dismissed only on account of delay. Since the assessee did not submit any explanation before the Ld. AO as well and the money deposited in the bank account was claimed to be the deposits collected on behalf of the financial bank Bankura District Central Co-Operative Bank, therefore, in the interest of justice and fair play, the matter is remanded to the Ld. AO to frame the assessment *de novo* after granting an opportunity of being heard to the assessee. The assessee shall not seek unnecessary adjournments and shall ensure compliance by filing the required details before the Ld. AO in support of the deposits in the bank account, else the Ld. AO shall be at liberty to draw adverse



inference. Hence, Hence, all the Grounds of appeal are partly allowed for statistical purpose.

7. In the result, the appeal filed by the assessee is partly allowed for statistical purpose.

Order pronounced in the open Court on 28th January, 2026.

Sd/-

[George Mathan]
Judicial Member

Sd/-

[Rakesh Mishra]
Accountant Member

Dated: 28.01.2026

Bidhan (Sr. P.S.)



Copy of the order forwarded to:

1. **Garrah SKUS Limited, Vill - Garrah, P.O. Baragarrah, Sarenga, Bankura, West Bengal, 722150.**
2. **ITO, Ward-3(1), Bankura.**
3. CIT(A)-NFAC, Delhi.
4. CIT-
5. CIT(DR), Kolkata Benches, Kolkata.
6. Guard File.

// True copy //

By order

Assistant Registrar
ITAT, Kolkata Benches
Kolkata