

**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. 6381/DEL/2025; Assessment Year: 2017-18

Mohan Udyog Pvt. Ltd Shop No. 3, B Block Market Ashok Vihar, Phase-I New Delhi- 52	Vs	ITO Ward 17(3) Delhi
(APPELLANT)		(RESPONDENT)
PAN No. AAECM0639E		

Assessee by : Smt. Rano Jain, Advocate, Ms. Mansi Jain,
CA, Shri Tanishq Ahuja, Advocate,
Shri Sidharth Bajaj, Advocate

Revenue/Department by : Shri Ajay Kumar Arora, Sr. DR

Date of Hearing: 21.01.2026	Date of Pronouncement: 21.01.2026
-----------------------------	-----------------------------------

ORDER

PER RENU JAUHRI :

The above captioned appeal is preferred by the assessee against the order dated 04.08.2025, passed by Ld. CIT(A)/NFAC, Delhi u/s 250 of the Income Tax Act, 1961 (hereinafter referred to as, "Act") in Appeal No. CIT(A), Delhi-6/10352/2019-20.

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

"1. On the facts and circumstances of the case order passed by the National Faceless Appeal Centre (NFAC) is bad both in the law and on facts.

2. (i) On the facts and circumstances of the case NFAC has erred both on facts and in law in confirming the addition of

Rs. 33,50,000/- made by the Assessing Officer under section 69A of the Act on account of cash deposited in the bank.

(ii) That the abovesaid addition was made under section 69A of the Act, despite the fact that the receipts were business receipts duly recorded in the books of account, hence the said section does not apply to the relevant facts and circumstances.

(iii) That the addition was made without rejecting the books of accounts, as such leading to double taxation of the same amount.

3 On the facts and circumstances of the case NFAC has erred both on facts and in law in confirming the action of the Assessing Officer in making disallowance of an amount of Rs 31,386/- invoking the provisions of section 40(a)(ia) of the Act.

4. Appellant craves leave to add, amend or alter any of the grounds of appeal.”

3. Brief facts are that the assessee company filed return for A.Y. 2017-18 on 30.10.2017, declaring loss of Rs. 2,78,094/-. The case was selected for scrutiny due to abnormal cash deposits during the demonetization period. The assessment was completed u/s 143(3) of the Act vide order dated 19.12.2019 at an income of Rs. 92,81,386/- after making addition on account of unexplained cash deposits u/s 69A at Rs. 33,50,000/-, addition on account of unsecured loan of Rs. 59,00,000/- and disallowance u/s 48(a)(i) of Rs. 31386/-. Aggrieved, the assessee preferred an appeal before Ld. CIT(A).

4. The appeal was partly allowed by the Ld. CIT(A) vide order dated 04.08.2025 whereby relief on account of addition made in respect of unsecured loan was granted. Further aggrieved, the assessee has filed an appeal before the Tribunal, challenging the addition of Rs. 33,50,000/- u/s 69A made on account of cash deposits in the bank accounts and disallowance of Rs. 31,386/- u/s 48(a)(i) of the Act. Before us, Ld. AR has submitted that the ground relating to

disallowance u/s 48(a)(i) is not being pressed. He has further submitted that the assessee had filed detailed reply dated 07.12.2019 to the show-cause notice with regard to proposed addition on account of cash deposits during demonetization period which has not been considered by the Ld. AO.

5. After hearing both the parties and in the interest of justice, we deem it appropriate to restore this issue back to the Ld. Jurisdictional AO for fresh consideration on merits after giving due opportunity to the assessee to substantiate its claim.

6. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the Open Court on 21-01-2026.

Sd/-
(MAHAVIR SINGH)
VICE PRESIDENT

Sd/-
(RENU JAUHRI)
ACCOUNTANT MEMBER

Dated: 10.02.2026

Pooja Mittal

Copy forwarded to:

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

Asstt. Registrar, ITAT, New Delhi