

**THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD "SMC" BENCH**

**Before Dr. BRR Kumar, Vice President
And Ms. Suchitra Kamble, Judicial Member**

**ITA No. 2134/Ahd/2025
Assessment Year 2017-18**

Zala Hardattsinh, 433 Darbar Vas, Karakthal, Near Rajput Vas, Viramgam, Ahmedabad-382150 PAN: AAVPZ6658C (Appellant)	Vs	The ITO, Ward-3(1)(1) Ahmedabad (Respondent)
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Assessee by: Shri P.F. Jain, A.R.

Revenue by: Shri Veerbadram Vislavath, Sr. D.R.

Date of hearing : 12-01-2026

Date of pronouncement : 26-02-2026

आदेश/ORDER

Per Suchitra Kamble, Judicial Member:

This is an appeal filed against the order dated 16-05-2025 passed by National Faceless Appeal Centre (NFAC), Delhi for assessment year 2017-18.

2. The grounds of appeal are as under:-

"1. The ld. CIT(A), NFAC has grievously erred in law and on facts in dismissing the appeal in limine in as much as that the appeal cannot be dismissed in limine without adjudicating the grounds of appeal.

2. *He has erred in law and on facts in not condoning the delay in filing appeal without considering the facts and circumstances explained by the assessee for unintended delay.*

3. *He has erred in law and on facts in not considering the 14 grounds of appeal as detailed in the appeal memo in form No. 35 and thereby wrongly upholding the addition of Rs. 22,65,717/- made by the A.O. u/s 69A by passing ex parte order u/s 144 of the Act.*

4. *On the facts of the assessee the provision of section 115BBE are submitted to be not applicable.*

5. *On the facts of the assessee no interest u/s 234A and 234B ought to have been levied.*

6. *On the facts, no such addition of Rs. 22,65,717/- u/s 69A for cash deposit during the demonetization period ought to have been made.*

7. *The appellant craves leave to add, to alter and/or to modify any grounds of appeal.”*

3. The assessee is an individual and has filed return of income for assessment year 2017-18. It was found that the assessee deposited cash amounting to Rs. 13,25,717/- in his saving bank account being maintained with Dena Bank during the demonetization period i.e. from 09-11-2016 to 30-12-2016 in demonetized note after issuing statutory notices. The assessee did not file return of income nor submitted any reply. Since the assessee has not responded, the Assessing Officer obtained the details from the bank such as account opening form, bank statement, KYC, details of cash deposits during assessment year 2017-18, details of cash deposits made during demonetization period, the money trail, credit entries, debit entries and details of amount/sum transferred to other from Dena Bank by issuing notice u/s. 133(6) of the Income Tax Act, 1961. After verifying the bank statement, the Assessing Officer noticed that the assessee had various credit entries including cash deposits during assessment year 2017-18 especially during

demonetization period. Further, it was evident from bank credit and debit entries that the assessee received credit entries, made cash deposits of Rs. 5,06,449/- (including Rs. 3,56,449/- deposited during demonetization period) in the account maintained with Dena bank. In a different account with the same bank, there was a total cash deposit of Rs. 9,69,268/- during demonetized period. In addition to the cash deposits, there were credit by way of transfer amounting to Rs. 7,90,000/- in the said account. Thus, there was a total credit of Rs. 22,65,717/- during the year under consideration. Since the assessee has not given any explanation, the Assessing Officer considered the cash deposit amounting to Rs. 22,65,717/- as unexplained money u/s. 69A of the Income Tax Act, 1961 and treated the same as total income of the assessee for assessment year 2017-18 and taxed u/s. 115BBE of the Act @ 60%.

4. The assessee filed appeal before the CIT(A). The CIT(A) dismissed the appeal of the assessee for delay in filing the appeal.

5. The ld. D.R. relied upon the order of the CIT(A).

6. We have heard both the parties and perused all the relevant material available on record. There is a delay of 105 days in filing the present appeal before us. The assessee has given the explanation which appears to be genuine. Thus, the delay is condoned. It is pertinent to note that the both the authorities i.e. Assessing Officer as well as CIT(A) has passed ex-parte order, therefore it will be appropriate to remand back this matter to the file of the Assessing Officer for proper adjudication of the issues as per Income Tax Act. The assessee is directed to

file the details before the Assessing Officer within the reasonable time and if the assessee fails to do so, the Assessing Officer will follow procedure of Income Tax Act.

7. In the result, the appeal of the assessee is partly allowed.

Order pronounced in the open court on 26-02-2026

Sd/-
(Dr. BRR Kumar)
Vice President
Ahmedabad : Dated 26/02/2026

Sd/-
(Suchitra Kamble)
Judicial Member

a.k.

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

1. Assessee
2. Revenue
3. Concerned CIT
4. CIT (A)
5. DR, ITAT, Ahmedabad
6. Guard file.

By order/आदेश से,

उप/सहायक पंजीकार
आयकर अपीलीय अधिकरण,
अहमदाबाद