सत्यमेव जयते

IN THE INCOME TAX APPELLATE TRIBUNAL, PUNE

BENCH "B"

BEFORE SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER
AND
DR. DIPAK P. RIPOTE, ACCOUNTANT MEMBER
I.T.A.No. 2021/PUN/2025
(Assessment Year: 2017-18)

M/s. Malharmachi Holiday Resort, Gat No. 132 At Post Sambhave, Tal, Mulshi Dist, Pune-412108, Maharashtra. PAN: AASFM6435D	Vs.	DCIT, Central Circle-2, PMT building, Shankar Seth Road Pune-411037 Maharashtra.
(Appellant)		(Respondent)

For Assessee	:	Shri Yuvraj V. Bhandare.AR
For Revenue	:	Ms. Bhavya. I. V.Sr.DR

Date of Hearing	:	13.08.2026
Date of Pronouncement	:	17.08.2026

ORDER

PER PAVAN KUMAR GADALE, JUDICIAL MEMBER:-

The assessee has filed the appeal against the order of NFAC/CIT(A) passed u/sec 250 of the Income Tax Act for the Assessment Year 2017-18. The assessee has raised the grounds of appeal challenging the ex-parte order of the CIT(A) and sustaining the addition u/sec69A of the Act made by the Assessing Officer.

2. The brief facts of the case are that, the assessee has filed

furnished the details through e-filing portal. The Assessing Officer (AO) found that the assessee has made a cash deposits and the assessee has not explained the sources of deposits and a show cause notice was issued. In compliance, the assessee has explained that the deposits are out of business receipts and supported the facts with the financial statements and information. Further the Assessing Officer observed that the assessee has made a cash deposits during the demonetization period and has issued a final show cause notice to the assessee to explain the sources of cash deposits in the bank accounts. The assessee’s submissions are that these cash deposits are made out of the receipts from the customers in respect of the business hospitality services. Whereas the AO has dealt on the facts of deposits and observed that the assessee has made cash deposits SBN during the demonetization period i.e on 8.11.2016 to 31.12.2016 aggregating into Rs.40,00,000/- and was not satisfied with the explanations and made addition under section 69A of the Act. and assessed the total income of Rs.1,32,85,590/-and passed the order u/sec143(3) of the Act dated 13.12.2019.

3. Aggrieved by the order, the assessee has filed an appeal with the CIT(A).Whereas the CIT (A) has considered grounds of appeal, statement of facts, finding of the A.O and has issued notice of hearing and since there was no compliance, CIT(A) considering the information on record has confirmed the

appeal, statement of facts, finding of the A.O and has issued notice of hearing and since there was no compliance, CIT(A) considering the information on record has confirmed the action of the Assessing officer and dismissed the assessee appeal. Aggrieved by the order of the CIT(A), the assessee has filed appeal with Hon'ble Tribunal.

5. At the time of hearing, the Ld.AR submitted that the CIT(A) has erred in confirming the action of the AO overlooking the information of the assessment proceedings. The Ld.AR mentioned that non-compliance of notices before the CIT(A) is not a wanton act or deliberate. Further the assessee has a good case on merits and shall substantiate with material evidences and prayed for an opportunity before the Lower authorities. Per contra, the Ld.DR supported the order of CIT(A).

6. We heard the rival submissions and perused the material on record. Prima facie CIT(A) has passed the order considering the facts that there is no compliance in spite of providing adequate opportunity of hearing and notices were issued. Therefore, CIT(A) was of the opinion that the assessee is not interested in prosecuting the appeal and dismiss the appeal ex-parte confirming the action of the Assessing Officer. The CIT(A) has issued notices referred at Para 5.1 of the order but there was no response. Whereas the assesse has raised grounds of appeal challenging the addition made by the A.O and

more opportunity of hearing to the assessee to substantiate the case with evidences and information. Accordingly, set aside the order of the CIT(A) and remit the disputed issue to the file of the CIT(A) to adjudicate afresh and the assessee should be provided adequate opportunity of hearing and shall cooperate in submitting the information for early disposal of appeal. And the grounds of appeal of the assesse are allowed for statistical purposes.

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

Order pronounced in the open Court on 17th August, 2026.

Sd/-	Sd/-
DIPAK P. RIPOTE	**PAVAN KUMAR GADALE**
(ACCOUNTANT MEMBER)	**(JUDICIAL MEMBER)**

Pune, Dated: 17th ugust, 2026

Abhishek Mohan Abhishek Mohan Digitally signed by Abhishek Mohan Date: 2026.08.17 16:12:44 +05'30'

आदेशकीप्रतिलिपिअग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT concerned.
4. विभागीयप्रतिनिधि,आयकरअपीलीयअधिकरण, “**B**” बेंच, पुणे/ DR, ITAT, “**B**” Bench, Pune.
5. गार्डफ़ाइल / Guard File.

//True Copy//

आदेशानुसार / BY ORDER,