

**IN THE INCOME TAX APPELLATE TRIBUNAL  
INDORE BENCH, INDORE**

**BEFORE MS. SUCHITRA KAMBLE, JUDICIAL MEMBER AND  
SHRI BHAGIRATH MAL BIYANI, ACCOUNTANT MEMBER**

***(Conducted through Virtual Court)***

**ITA No.201/Ind/2021  
Assessment Year: 2017-18**

Gajendra Chawla, vs. DCIT-2(1), Bhopal  
1, Near Hanuman Mandir,  
Arera Colony,  
Bhopal.  
[PAN – AATPC 6302 L]  
(Appellant) (Respondent)

Appellant by : Nisha Lahoti, CA  
Respondent by : Shri Harshit Bari, D.R.

Date of hearing : 13.06.2022  
Date of pronouncement : 28.06.2022

**ORDER**

**PER SUCHITRA KAMBLE, JUDICIAL MEMBER :**

This appeal is filed by the assessee against the order dated 19.08.2021 passed by the CIT(A), National Faceless Appeal Centre (NFAC), Delhi for the Assessment Year 2017-18.

2. The grounds of appeal raised by the assessee are as under :

- “1) *In the facts and in the circumstances of the case, Ld. Designated Officer of the National Faceless Appeal Centre erred in sustaining the addition made in the assessment order passed by Ld. AO u/s.143(3) of the Act which is contrary to the material on record and provisions of the Act, unjust and bad ain law.*
- 2) *On the facts and circumstances of the case and applicable law, Ld. Designated Officer of the National Faceless Appeal Centre erred in sustaining the addition made by Ld. AO of Rs.41,21,502 on account of unexplained cash u/s. 68.*
- 3) *On the facts and circumstances of the case and applicable law, Ld. Designated Officer of the National Faceless Appeal Centre erred in*

*sustaining the addition of Rs.41,21,502/- u/s. 68 on account of unexplained cash without providing sufficient opportunity of being heard to the assessee and in violation of principles of natural justice.*

4. *On the facts and circumstances of the case and applicable law, Ld. Designated Officer of the National Faceless Appeal Centre erred in not considering the submissions in proper perspective.”*

3. The assessee is in medical profession running Hospital under the name Vision Care & Research Centre. The assessee filed its return of income on 30.10.2017 declaring total income at Rs.31,97,260/-. The Assessing Officer held that the assessee failed to substantiate source of cash deposited in bank account during the demonetised period. Thus, the Assessing Officer made addition of Rs.41,21,502/- as unexplained cash under Section 68 of the Act.

4. Being aggrieved by the assessment order the assessee filed appeal before the CIT(A). The CIT(A) dismissed the appeal of the assessee.

5. The Ld. AR submitted that the assessee filed two replies to the notices issued under Section 142(1) for which the Assessing Officer has not taken proper cognisance and simplicitor stated that it is insufficient. The CIT(A) has also not served the notices of hearing to the assessee and thus both the revenue authorities as well as appellate authorities have not given proper opportunity of hearing to the assessee. Therefore, Ld. AR requested that the matter may be remanded back for proper adjudication on merit after taking cognisance of the submissions/reply /evidences filed by the assessee.

6. Ld. D.R. relied upon the assessment order and the order of the CIT(A).

7. We have heard both the parties and perused all the relevant material available on record. It is pertinent to note that the Assessing Officer as well as the CIT(A) has not taken proper cognisance of the assessee's submissions and simplicitor without giving any opportunity passed the order and made the addition. Thus, it will be appropriate to remand back the matter in entirety to the file of the Assessing Officer with the direction that the assessee's reply/submissions and evidences will be taken into account and the same may be adjudicated as per due process of law. Needless

to say that the assessee be given opportunity of being heard by following the principles of natural justice. Appeal of the assessee is partly allowed for statistical purposes.

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

Order pronounced in the open Court on this 28<sup>th</sup> day of June, 2022.

Sd/-  
**(BHAGIRATH MAL BIYANI)**  
Accountant Member

Sd/-  
**(SUCHITRA KAMBLE)**  
Judicial Member

**Indore, the 28<sup>th</sup> day of June, 2022**

**PBN/\***

*Copies to:* (1) *The appellant*  
(2) *The respondent*  
(3) *CIT*  
(4) *CIT(A)*  
(5) *Departmental Representative*  
(6) *Guard File*

*By order*

*Assistant Registrar*  
*Income Tax Appellate Tribunal*  
*Indore Bench, Indore*