

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH “SMC”: NEW DELHI**

BEFORE SHRI KUL BHARAT, JUDICIAL MEMBER

**ITA No. 2674/DEL/2022
[Assessment Year: 2017-18]**

Harvinder Kaur, F-18, Mansarover Grden, New Delhi-110015. PAN- AAJPK0834B	<u>Vs</u>	Income Tax Officer, Ward 29(2), New Delhi.
APPELLANT		RESPONDENT
Assessee represented by	None	
Department represented by	Sh. Om Parkash, Sr. DR	
Date of hearing	19.01.2023	
Date of pronouncement	19.01.2023	

ORDER

PER KUL BHARAT, JM:

This appeal, by the assessee, is directed against the order of the learned Commissioner of Income-tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi, dated 12.03.2022, pertaining to the assessment year 2017-18. The assessee has raised following grounds of appeal:

“1. The assessee had filed income tax return on 05.08.2017 at total taxable income of Rs.5,25,070/- but the learned A.O. ward 49(2), New Delhi computed the total taxable income at Rs.23,25.070/- on account of cash

deposited of Rs. 18,00,000/- in his bank account. All the necessary documents in support of the said cash deposits of Rs 18,00,000/-were submitted during Income Tax assessment proceedings. Copies of Balance sheet of the assessee, copy of pass book showing withdrawals from his bank account, etc were submitted in support of the said cash deposits but the learned Assessing Officer, has ignored all these documents and made addition of Rs 18,00,000/- to the total income of the assessee.

2. Aggrieved by the Assessment order, the assessee preferred an appeal before learned CIT (Appeals), New Delhi who also without going into the facts and details and merits of the case, disposed off the said appeal in favour of Revenue. It is therefore prayed that the said addition of Rs 18,00,000/- may please be ordered to be deleted. The assessee reserves the right to add, alter modify etc. any of its ground of appeal during Income Tax appellate proceedings also.”

2. Facts giving rise to the present appeal are that for A.Y. 2017-18 the assessee filed its return electronically on 5.8.2017 declaring taxable income of Rs. 5,25,070/-. The case was selected for limited scrutiny through CASS on the basis of information received that assessee had made cash deposits of substantial amount as compared to returned income during the demonetization period. Thereafter, statutory notices u/s 143(2) and 142(1) of the Income-tax Act, 1961 (hereinafter referred to as “the Act”), were issued to the assessee, in response whereof the assessee submitted relevant details through e-proceeding on ITBA module. During the course of assessment the AO noticed that the assessee had deposited Rs. 18,00,000/- in cash in her bank a/c with SBI during the demonetization period from 8.11.2016 to 31.12.2016. Rejecting the claim of the assessee that she had

deposited the amount out of her cash in hand, the Assessing Officer treated the cash deposit of Rs. 18,00,000/- as assessee's un-explained money and added the same to the income of the assessee u/s 69A of the Act. Aggrieved against it the assessee preferred appeal before the learned CIT(Appeals), who also confirmed the action of the Assessing Officer. Aggrieved against it, now the assessee is in appeal before this Tribunal.

3. At the time of hearing no one attended the proceedings on behalf of the assessee. However, written submissions have been filed on behalf of the assessee. Accordingly, the appeal is being decided after hearing the learned DR and considering the written submissions and the material available on record.

4. Apropos to the grounds of appeal, learned DR supported the orders of the authorities below and submitted that there is no infirmity into the orders of the authorities below. The assessee has not provided any documentary evidence, suggesting the source of cash deposit.

5. I have heard the learned DR and perused the material available on record. The Authorized Representative of the assessee has filed written submissions, which are reproduced hereunder:

“The assessee filed her Income Tax return on 05.08.2017 declaring her

Taxable income at Rs. 5,25,070/-.

Notice u/s 142(1) and 143(2) of I.T. Act,1961 were issued and all the informations, as called for, were filed during Income Tax assessment proceedings but ignoring all the replies the Learned Assessing Officer computed the total taxable income at Rs.23,25,070/- vide Income Tax Assessment order dtd.25.11.2019 after making an addition of Rs. 18,00,000/- on account of cash deposit in her State Bank of India saving A/c No. 10505620982.

It is now submitted that all the replies as requested by the learned assessing officer during Income Tax proceedings were submitted along with all the documentary evidences but the Learned Assessing Officer ignored all these replies and made addition of Rs. 18,00,000/- without giving due opportunity.

Copies of the notices issued by the Learned Assessing Officer and some of the replies are enclosed herewith which justify that the assessee had fully complied with all the Income Tax notices through the replies.

The case was time barring on 31.12.2019 but this Income Tax Assessment order was passed on 25.11.2019.

The learned Assessing Officer had enough time and could have asked for more documentary evidences if he was not satisfied with the submissions.

The cash deposit of Rs. 18,00,000/-is fully justified as per the chart enclosed and it was also submitted during Income Tax proceedings which was done out of receipts, Bank withdraws, Savings, Gifts, etc.

The assessee has all the requisite documentary evidences in support of cash deposit of Rs.18,00,000/- during A.Y. 2017-18 and can produce before your honour or the said case may please be remanded back to the Learned Assessing Officer for submission and verification of all the documentary evidences in support of deposit of cash of Rs. 18,00,000/- in the Bank account.

It is therefore, requested that the said Income Tax assessment order may please be remanded back to the file of Learned Assessing order for providing due opportunity to the assessee and verify all the requisite document in respect of the said cash deposits.”

6. It is the grievance of the assessee that assessee was not provided sufficient

opportunity to explain its case by the Assessing Authority. Therefore, considering the material available on record, I hereby set aside the impugned order and restore the assessment to the file of the Assessing Authority to make assessment afresh after giving due opportunity to the assessee. Needless to say that assessee would cooperate in the proceedings. Grounds of appeal are allowed for statistical purposes.

7. Appeal of the assessee is allowed for statistical purposes.

Order pronounced in open court during the course of hearing on 19.01.2023.

**Sd/-
(KUL BHARAT)
JUDICIAL MEMBER**

MP

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

**ASSISTANT REGISTRAR
ITAT, NEW DELHI**