

**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**“RANCHI BENCH, RANCHI**  
**VIRTUAL HEARING AT KOLKATA**

**Before Shri Sanjay Garg, Judicial Member and Shri Rajesh Kumar, Accountant Member**

**I.T.A. No.58/Ran/2021**  
Assessment Year: 2017-18

**Shri Pawan Kumar Agarwal..... Appellant**  
**Priyadarshani Path, Katrasgarh,**  
**Dhanbad.**  
**[PAN: ACCPA5902H]**

**vs.**

**ITO, Ward-2(1), Dhanbad..... Respondent**

**Appearances by:**

Shri Devesh Poddar, Adv., appeared on behalf of the appellant.

Shri Pranob Kumar Koley, Sr. DR, appeared on behalf of the Respondent.

Date of concluding the hearing : March 01, 2023

Date of pronouncing the order : April 28, 2023

**ORDER**

**Per Sanjay Garg, Judicial Member:**

The present appeal has been preferred by the assessee against the order dated 15.09.2021 of the National Faceless Appeal Centre [hereinafter referred to as ‘CIT(A)’] passed u/s 250 of the Income Tax Act (hereinafter referred to as the ‘Act’).

2. The assessee in this appeal has contested the addition made by the Assessing Officer of Rs.15,65,500/- on account of unexplained cash deposited in the bank account during the demonetization period.

3. During the assessment proceedings, the assessee explained that he had deposited cash out of earlier year savings and income generated during the year. Cash deposited in bank account was

previously withdrawn in the financial year 2015-16 for some business investment proposal, but the same was not successful, as a result cash remained in hand and deposited in the subsequent year. However, the Assessing Officer required the assessee to produce the cash book, which the assessee could not produce. Therefore, the Assessing Officer treated the aforesaid cash deposits as unexplained income of the assessee and made the impugned addition.

4. The ld. CIT(A) confirmed the addition so made by the Assessing Officer.

5. Before us, the ld. Counsel for the assessee has submitted that the assessee could not produce the cash book before the Assessing Officer because of the dispute with the accountant. That all the deposits were out of past savings and current year income of the assessee and also out of withdrawal made in the earlier year. That the assessee may be given opportunity to produce the relevant documents before the Assessing Officer to prove the source of the deposits.

6. The ld. DR, on the other hand, has relied upon the findings of the lower authorities.

7. In our view, the interests of justice will be well-served if the assessee is given an opportunity to produce the relevant evidences regarding the source of deposits including cash book etc. before the Assessing Officer. We, therefore, set aside the impugned order of the CIT(A) and restore the matter to the file of the Assessing Officer with a direction to decide the issue afresh in accordance with law. Needless to say that the Assessing Officer will give proper opportunity to the assessee to represent his case.

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

***Kolkata, the 28<sup>th</sup> April, 2023.***

Sd/-  
**[Rajesh Kumar]**  
**Accountant Member**

Sd/-  
**[Sanjay Garg]**  
**Judicial Member**

Dated: 28.04.2023.

RS

*Copy of the order forwarded to:*

1. Shri Pawan Kumar Agarwal
2. ITO, Ward-2(1), Dhanbad
3. CIT(A)-
4. CIT- ,
5. CIT(DR),

//True copy//

By order

Assistant Registrar, Kolkata Benches