

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

**BEFORE,  
SHRI M. BALAGANESH, ACCOUNTANT MEMBER**

**ITA No.2832/Del/2023  
(ASSESSMENT YEAR 2017-18)**

Narayan Singh E-146, GR Hari Nagar III Badarpur Delhi-110 044 PAN-DMFPS 6809K	Vs.	Income Tax Officer Ward-28(2) Delhi
<b>(Appellant)</b>		<b>(Respondent)</b>

Assessee by	Sh. Shivam Malik, Adv.
Department by	Sh. Om Parkash, Sr. DR

Date of Hearing	17/01/2024
Date of Pronouncement	23/01/2024

**ORDER**

This appeal of the Assessee arises out of the order of the Learned Commissioner of Income Tax (Appeals)-National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'Ld. CIT(A)'] in DIN & Order No. ITBA/NFAC/S/250/2023-24/1055060326(1) dated 11/08/2023 against the order passed by Income Tax Officer, Ward-28(2), New Delhi (hereinafter referred to as the 'Ld. AO') u/s 144 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') on 14/12/2019.

2. The only issue to be decided in this appeal is as to whether the Ld. CIT(A) was justified in confirming the addition made in the sum of Rs 12,63,500/- towards cash deposit in the bank as unexplained

money u/s 69A of the Act in the facts and circumstances of the case.

3. I have heard the rival submissions and perused the materials available on record. The assessee is an individual and had not filed his original return of income for the Asst Year 2017-18 It is not in dispute that the assessee had made cash deposits of Rs 12,63,500/- during the demonetization period in specified bank notes. The ld. AO observed that assessee is engaged in the business of cloth selling from colony to colony (Pheriwala) and had submitted the bills during the course of assessment proceedings. On perusal of the said bills, the ld. AO observed that those were merely cash memos and many of them do not contain the Sales Tax Registration Numbers and are in the form of Kachcha Bills. The assessee also submitted before the ld. AO that he was facing a family dispute with his wife in the family court and ended up paying alimony of Rs 7,25,000/- to his wife, for which purpose cash was deposited during the demonetization period after closure of his business. Since no return of income was even filed by the assessee pursuant to various notices issued u/s 142(1) of the Act, the ld. AO had no choice but to complete the assessment u/s 144 of the Act on 14.12.2019 after treating the cash deposits of Rs 12,63,500/- as unexplained money u/s 69A of the Act in the hands of the assessee. This action of the ld. AO was upheld by the ld. CIT(A).

4. I find that the fact of assessee facing some family dispute with his wife in the family court during the course of assessment and first appellate proceedings is not disputed by the revenue. The assessee has also filed the copy of the family court order. The cash was deposited during the demonetization period by the assessee in order to pay alimony to his wife. The assessee also submitted that he had closed his business and had utilized the entire proceeds thereon to deposit cash in the bank account, which in turn was partly utilized for payment of alimony to his wife. The ld. AR before us prayed for one last opportunity to be granted to the assessee to furnish necessary details of sources of cash deposits before me. Considering the fact that the assessee was prevented from sufficient cause in not furnishing the requisite details before the lower authorities due to ongoing family dispute at the relevant point of time, I deem it fit and appropriate to restore this appeal to the file of ld. AO for denovo adjudication in accordance with law. Accordingly, the grounds raised by the assessee are allowed for statistical purposes.

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

Order pronounced in the open court on 23<sup>rd</sup> January, 2024.

Sd/-  
**(M. BALAGANESH)**  
**ACCOUNTANT MEMBER**

Dated: 23/01/2024  
*Pk/sps*

Copy forwarded to:

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

ASSISTANT REGISTRAR  
ITAT NEW DELHI