

IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE 'SMC' BENCHES :: PUNE

BEFORE SHRI INTURI RAMA RAO, HON. ACCOUNTANT MEMBER

ITA No.1417/PUN/2023  
(A.Y. 2017-18)

Priyanka Chandrakant Gujarathi, House No. 1379, Lane No.5, Near Medicine Market Dhule - 424001  PAN: BAGPG 4318 A	vs	ITO, Ward-2, Dhule.
Appellant		Respondent

Assessee by	:	Shri Kishor B. Phadke, CA
Revenue by	:	Shri Ganesh B. Budruk, DR
Date of hearing	:	12/02/2024
Date of pronouncement	:	13/02/2024

ORDER

This appeal preferred by the assessee directed against the order of National Faceless Appeal Centre [NFAC], Delhi, dated 14.12.2023 for A.Y.2017-18.

2. Brief facts of the case are that assessee is an individual deriving income from running tuition classes, filed his return of income for the A.Y. 2017-18 declaring total income of Rs. 4,97,890/-. The case was selected for scrutiny under CASS on the ground that cash deposits were made during the demonetization period. Against the said return of income, assessment was completed by the Assessing Officer (AO) vide order dated 29/11/2019 u/sec. 143(3) of the Act and assessed the total income at Rs. 20,47,890/-. While doing so, the AO made the

addition of Rs. 15,50,000/- being cash deposits in a specified notes during the demonetization period. Rejecting the explanation of the assessee, as the cash deposits were made out of his income accrued from earlier years, by holding that the assessee had failed to furnish evidence in support of the activity from which the income was earned in earlier years.

3. Being aggrieved by the order of the AO, assessee filed appeal before the NFAC, who vide impugned order confirmed the addition made by the AO holding that the assessee had failed to substantiate the explanation with supporting evidence.

4. Aggrieved by the order of the NFAC, the assessee is in appeal before this Tribunal.

4.1 It was submitted that the impugned order was passed in total ignorance of the material submitted before the NFAC. It was further submitted that the returns of income for the earlier years were filed which were placed at page No. 41-42 of the paper book. Thus, he submitted that the impugned order be set aside, as it was passed in total ignorance of the material on record.

4.2 On the other hand, Id. Sr.DR had no serious objection for setting aside the impugned order and to remand the matter to the NFAC for

fresh adjudication.

5. I have heard the rival submissions and perused the material on record. A perusal of the impugned order shows that the NFAC has passed the order on the wrong premise that no evidence was placed before him about the source of cash deposits made during demonetization period. However, on perusal of the paper book at page No.41-42, it is clear that assessee had filed the returns of income for the earlier years. Therefore, the order passed by the NFAC is in ignorance of the material on record and therefore, in the interest of justice, it would be just and proper to remand the matter to the file of the NFAC for fresh consideration. Accordingly, the impugned order is set aside and the matter is remanded back to the file of the NFAC for *denovo* consideration in accordance with law.

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

Order pronounced in open Court on 13<sup>th</sup> February, 2024.

Sd/-  
(INTURI RAMA RAO)  
ACCOUNTANT MEMBER

Dated :13<sup>th</sup> February, 2024

vr/-

*ITA No.1417/PUN/2023  
Priyanka Chandrakant Gujarathi*

Copy to :

1. The Appellant.
2. The Respondent.
3. The Pr. CIT concerned.
4. The DR, ITAT, "SMC" Bench Pune.
5. Guard File.

By Order

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Senior Private Secretary  
ITAT, Pune.