

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई  
**IN THE INCOME TAX APPELLATE TRIBUNAL  
'B' BENCH, CHENNAI**

श्री महावीर सिंह, उपाध्यक्ष एवं श्री मंजुनाथा. जी, लेखा सदस्य के समक्ष  
**BEFORE SHRI MAHAVIR SINGH, HON'BLE VICE PRESIDENT AND  
SHRI MANJUNATHA. G, HON'BLE ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.: **1523/Chny/2023**

निर्धारण वर्ष / Assessment Year: 2017-18

Ashok Kumar Nitesh Kumar,  
No. 14, Sannadhi Street,  
Vadapalani.  
Chennai – 600 026.

Income Tax Officer,  
v. Non-Corporate Ward -19(3),  
Chennai – 600 034.

**[PAN: ABQPN-3624-C]**

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Shri. H. Yeshwanth Kumar, CA

प्रत्यर्थी की ओर से/Respondent by : Shri. D. Hema Bhupal, JCIT

सुनवाई की तारीख/Date of Hearing : 21.02.2024

घोषणा की तारीख/Date of Pronouncement : 21.02.2024

**आदेश /ORDER**

**PER MANJUNATHA. G, ACCOUNTANT MEMBER:**

This appeal filed by the assessee is directed against the order passed by the learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi, dated 19.10.2023 and pertains to assessment year 2017-18.

2. We find that there is a short delay of 1 day in filing of appeal by the assessee, for which petition has been filed.

Considering the petition, we condone the delay of 1 day in filing of appeal and admit appeal for adjudication.

3. The brief facts of the case are that, the assessee is an individual filed his return of income for the assessment year 2017-18 on 20.03.2018, admitting total income of Rs. 6,01,180/-. The case was selected for scrutiny to verify cash deposits during demonetization period. During the course of assessment proceedings, the Assessing Officer noticed that the assessee has made huge cash deposits into various banks during demonetization period. Therefore, the Assessing Officer called upon the assessee to file necessary evidences to prove source for cash deposits. The assessee has made total cash deposits of Rs. 46,15,550/- during demonetization period and out of which Rs. 23,70,050/- is in valid currency notes and balance amount of Rs. 22,45,500/- was deposited in specified bank notes. Since, the assessee could not explain source, the Assessing Officer has made additions of Rs. 22,45,500/- u/s. 69 of the Income-tax Act, 1961 (hereinafter referred to as "the Act"), as unexplained money. The assessee had also deposited Rs. 10,36,73,015/- cash into various bank account. The Assessing Officer, after considering relevant submissions

of the assessee has estimated 6% net profit on total cash deposits and made additions of Rs. 59,43,448/-.

4. The assessee carried the matter in appeal before the Id. CIT(A). Before the Id. CIT(A), the assessee has filed detailed written submissions and argued that he is working as an agent in Airtel Payments Bank Ltd, and on total transactions receives commission of 0.20% and in support of his contention filed a confirmation letter from the Airtel Payments Bank Ltd. The Id. CIT(A), without considering the submissions made by the assessee sustained additions made by the Assessing Officer towards cash deposits in specified bank notes and also estimation of income on total cash deposits @ 6%. Aggrieved by the Id. CIT(A) order, the assessee is in appeal before us.

5. The Id. Counsel for the assessee, submitted that although the assessee has filed certain additional evidences including confirmation letter from Airtel Payments Bank Ltd, but the Id. CIT(A) without considering submissions made by the assessee simply sustained additions made by the Assessing Officer and thus, the matter may be set aside to the

file of the Id. CIT(A) to give one more opportunity of hearing to the assessee.

6. The Id. DR, on the other hand supporting the order of the Id. CIT(A) submitted that, the Id. CIT(A) has considered written submissions filed by the assessee and after taking note of relevant facts has rightly upheld additions made by the Assessing Officer and their order should be upheld.

7. We have heard both the parties, perused materials available on record and gone through orders of the authorities below. The Assessing Officer has made additions towards cash deposits during demonetization period u/s. 69A of the Act. The Assessing Officer, had also made additions towards net profit of 6% on remaining cash deposits. It was the argument of the assessee before the lower authorities that, he was an agent of Airtel Payments Bank Ltd, and on total transactions receives 0.20% commission. But, the Assessing Officer has estimated 6% net profit without considering the nature and business of the assessee. The Id. CIT(A), had also not considered relevant submissions filed by the assessee including confirmation letter from Airtel Payments Bank Ltd,

which clearly says that the assessee is an agent, who receives 0.20% commission on total transactions. Although, the appellant has filed various details, but the Id. CIT(A) passed appellate order without considering written submissions filed by the assessee along with confirmation letter from Airtel Payments Bank Ltd, contrary to principle of natural justice. Therefore, we are of the considered view that the issue needs to go back to the file of the Id. CIT(A) and thus, we set aside the order of the Id. CIT(A) and restore the issue back to the file of the Id. CIT(A) with a direction to reconsider the issue in light of various evidences, if any, may be filed by the assessee to justify its case.

8. In the result, appeal filed by the assessee is allowed for statistical purposes.

Order pronounced in the open court on 21<sup>st</sup> February, 2024 at Chennai.

**Sd/-**  
**(महावीर सिंह )**  
**(MAHAVIR SINGH)**  
उपाध्यक्ष /Vice President

**Sd/-**  
**(मंजूनाथा. जी)**  
**(MANJUNATHA. G)**  
लेखासदस्य /Accountant Member

चेन्नई/Chennai,

दिनांक/Dated, the 21<sup>st</sup> February, 2024

**JPV**

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF