

आयकर अपीलीय अधिकरण, इंदौर न्यायपीठ, इंदौर
**IN THE INCOME TAX APPELLATE TRIBUNAL
INDORE BENCH, INDORE**
BEFORE SHRI VIJAY PAL RAO, JUDICIAL MEMBER
AND
SHRI B.M. BIYANI, ACCOUNTANT MEMBER

ITA No.417/Ind/2023
(Assessment Year: 2017-18)

Shahid Qureshi 17, Purohit Ji Ka Was, Ratlam	vs.	ITO-1 Ratlam
(Appellant / Assessee)		(Respondent/ Revenue)
PAN: ECOPS1305G		
Assessee by	Shri Kaid Kangsawala, AR	
Revenue by	Shri Ashish Porwal, Sr. DR	
Date of Hearing	16.05.2024	
Date of Pronouncement	22.05.2024	

ORDER

Per Vijay Pal Rao, JM :

This appeal by assessee is directed against the order dated 01.09.2023 of the Commissioner of Income Tax (Appeal), National Faceless Appeal Centre, Delhi for A.Y.2017-18. The assessee has raised following grounds of appeal:

“1• The Hon'ble CIT(Appeal) erred in law as well as on facts of the case has made an addition of Rs. 5,69,68,444/- by treating the Credit in bank account as an unexplained money U / s 69A of the Income Tax Act 1961, without giving the proper

opportunity of being heard. Order U / s 250 has been passed. Hon'ble CIT(Appeal) didn't Consider Amount credit in bank by various Meat Supplier as Business transaction and treated as an unexplained money U/s 69A of the Income Tax Act 1961.

2.The Hon'ble CIT(Appeal) erred in law as well as on facts of the case not appreciate meat supplier contact no. and address given and conform the Ld. AO order.

3• Request for Admission of Additional Evidence Namly Trading Account, Profit & Loss Account & Balance Sheet along with the purchase Voucher from mandi i.e. Pashu Panjiyan fees receipt paid to karyalai gram panchayat (No. of 20) and Meat Supplier Purchase invoice for next FY to Showing Continuous of business next year also.

4.Your Appellant reserves the right to add, alter, amend and/or withdraw any of the above grounds of appeal.”

2. The assessee is an individual and dealing in livestock/animals. The assessee filed return of income on 31.03.2018 declaring total income of Rs.3,62,100/-. The case of assessee was selected for limited scrutiny through CASS on the basis of cash withdrawals. The AO issued notices u/s 143(2) & 142(1) but there was no response on behalf of the assessee. Accordingly the AO issued show cause notice and finally the assessee filed reply and claimed that he deals in animals purchases animals from the Hat Bazaars at different places and villages surrounding Ratlam. The purchase of

animals were made in cash and then sold to big traders. The assessee claimed that he received sale amount through bank account and payments for purchase by him in cash. Thus, the assessee explained withdrawal from the bank as the amount paid for purchase of animals. The AO noted that the assessee has not submitted any documentary evidence like purchase vouchers and sale bill/vouchers etc. and consequently the AO framed the assessment u/s 144 whereby entire deposit in the bank account was treated as unexplained money u/s 69A of the Act. The assessee challenged the action of the AO before the CIT(A) but could not succeed.

3. Before the tribunal Ld. AR of the assessee has filed an application for admission of additional evidences which contains balance sheet and profit and loss account as well as vouchers regarding the purchase made by the assessee from Animals hats. The assessee also filed ledger account and purchase invoice of certain buyers. Ld. AR has submitted that the AO made an addition on the ground that assessee have not submitted any documentary evidence like purchase vouchers/vouchers for payment made for purchase of animals, sale bills/vouchers for sale made to big meat dealers, cash book, audit report, copy of ledger etc. Thus, Ld. AR has submitted now the assessee has filed these documents as an additional evidence which may be admitted for deciding the issue involved in the appeal.

4. On the other hand, Ld. DR has submitted that the assessee is habitual non-compliant as assessment order was passed u/s 144 and thereafter nothing has been filed before the CIT(A) in support of the claim. The assessee has failed to file any supporting evidences including PAN of the parties from whom the amount was received. He has relied upon the orders of the authorities below.

5. We have considered rival submissions as well as relevant material on record. The case of the assessee was selected for limited scrutiny under CASS on the basis of cash withdrawal from the bank account of the assessee. The AO while framing the assessment u/s 144 has made an addition on account of credit in the bank account of the assessee. It is pertinent to note that entire credit in the bank account was through banking channel however, the assessee has not produced any documentary evidences to show that this amount represents sales proceeds of the assessee in the business for animal trade/purchase and sale of live stocks. Now the assessee has filed additional evidence which includes financial statements of the assessee prepared subsequently and certain bills and vouchers for purchase as well as sales. Since the additional evidence is sought to be filed first time before the Tribunal therefore, in the facts and circumstances of the case when the entire credit in the bank account is added and assessed as income of the assessee then the additional evidences filed by the assessee are required to be verified and examined and to be considered at the level of the AO. Accordingly in the interest of justice we set aside the impugned order of the CIT(A) and matter is remanded to the

record of the AO for fresh adjudication after verification and consideration of the additional evidences filed by the assessee.

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

Order pronounced in the open court on 22.05.2024.

Sd/-
(B.M. BIYANI)
Accountant Member

Sd/-
(VIJAY PAL RAO)
Judicial Member

Indore, 22.05.2024

Patel/Sr. PS

*Copies to: (1) The appellant
(2) The respondent
(3) CIT
(4) CIT(A)
(5) Departmental Representative
(6) Guard File*

By order

*Sr. Private Secretary
Income Tax Appellate Tribunal
Indore Bench, Indore*