

**IN THE INCOME TAX APPELLATE TRIBUNAL
“C” BENCH: BANGALORE**

**BEFORE SHRI CHANDRA POOJARI, ACCOUNTANT MEMBER
AND
SHRI KESHAV DUBEY, JUDICIAL MEMBER**

ITA No.742/Bang/2024
Assessment Year: 2017-18

Farida Hanif 39, Basavanagudi 6 th Main, 6 th Cross APMC Yard Bengaluru 560 022 Karnataka PAN NO : ABLPH1373D	Vs.	ITO Ward-6(2)(4) Bengaluru
APPELLANT		RESPONDENT

Appellant by	:	Smt. Sheetal Borkar, A.R.
Respondent by	:	Shri Ganesh R. Gale, Standing Counsel for Department

Date of Hearing	:	27.05.2024
Date of Pronouncement	:	27.05.2024

O R D E R

PER CHANDRA POOJARI, ACCOUNTANT MEMBER:

This appeal by assessee is directed against order of NFAC for the assessment year 2017-18 dated 8.2.2024. The assessee has raised following grounds of appeal:

- 1. The Learned CIT(A) erred in passing the order in the manner he did.*
- 2. The Learned CIT(A) erred in not considering the Appellants explanation for cash deposit Rs.10 lakhs and assessing the income under section 69A of the IT Act.*
- 3. The ld. CIT(A) has failed in disallowing the Appellants claim of source of entire cash deposited was from tuitions and tailoring and part was from previous year saving and some where out of withdrawal which is not considered and without appreciating the submissions of the appellant.*

4. *The ld. CIT(A) erred in making an addition of Rs.10,83,987/- without giving the Appellant sufficient opportunity to explain the nature of the income.*
5. *Without prejudice, the impugned additions are excessively arbitrary and unreasonable and liable to be deleted in full.*
6. *For these and such other grounds that may be urged at the time of hearing the appellant prays that the appeal may be allowed.”*

2. At the time of hearing, the ld. A.R. submitted that the NFAC has given notices and the response of the assessee to the same is as follows:

S.No.	Date of notice	Date of hearing	Remarks
1.	05.01.2021	20.01.2021	No response
2.	04.10.2023	11.10.2023	No response
3.	19.10.2023	26.10.2023	Filed written submissions
4.	28.12.2023	12.01.2024	Filed written submissions

3. Further, NFAC has not considered the submissions of the assessee and sustained the addition of Rs.10 lakhs made by ld. AO u/s 69A r.w.s. 115BBE of the Income Tax Act, 1961 (in short “The Act”).

3.1 According to the ld. A.R., assessee has filed all the details before NFAC. These details are though not filed before ld. AO, these are not properly appraised by the NFAC by calling for the remand report from the ld. AO. According to the ld. A.R., the entire addition is sustained by NFAC in a summarical manner. She submitted that the assessee has very well explained the sources before the NFAC and hence addition to be deleted on the reason that cash deposited at Rs.12 lakhs during the demonetization period has been sourced by earlier withdrawals, which are available with the assessee and no credit has been given for the same by NFAC.

4. The ld. D.R. relied on the order of lower authorities.

5. We have heard the rival submissions and perused the materials available on record. The assessee filed various details before NFAC, which are not filed before the ld. AO at the time of assessment. The NFAC ought to have verified these facts after calling the remand report from the ld. AO, which has not been done. In our opinion, it is appropriate to remit the entire issue in dispute with regard to addition of Rs.10 lakhs made u/s 69A r.w.s. 115BBE of the Act to the file of ld. AO for reconsideration to decide the same after giving opportunity of hearing to the assessee.

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

Order pronounced in the open court on 27th May, 2024

Sd/-
(Keshav Dubey)
Judicial Member

Sd/-
(Chandra Poojari)
Accountant Member

Bangalore,
Dated 27th May, 2024.
VG/SPS

Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The DR, ITAT, Bangalore.
5. Guard file

By order

Asst. Registrar,
ITAT, Bangalore.