

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

BEFORE SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER
AND
SHRI PRAKASH CHAND YADAV, JUDICIAL MEMBER

ITA No.1074/Bang/2024
Assessment year : 2017-18

Sudha Bahu Ranjitha, No.6, 8 th Cross, Cholurpalya Magadi Road, Bengaluru – 560 023. PAN : AKNPR 4112R	Vs.	The Income Tax Officer, Ward 3(2)(1), Bangalore.
APPELLANT		RESPONDENT

Appellant by	:	Shri Abhishek R., CA
Respondent by	:	Shri Ganesh R. Ghale, Standing Counsel

Date of hearing	:	08.07.2024
Date of Pronouncement	:	19.07.2024

ORDER

Per Laxmi Prasad Sahu, Accountant Member

This appeal is filed by the assessee against the order dated 30.03.2024 of the CIT(Appeals), National Faceless Appeal Centre, Delhi [NFAC], for the AY 2017-18.

2. The brief facts of the case are that the assessee filed return of income declaring total income of Rs.4,18,080 under the head income from house property, business income and income from other sources. The case was selected for scrutiny and statutory notices were issued to the assessee. During the course of assessment proceedings, it was

specifically asked to assessee for substantiating towards cash deposits during the demonetization period of RS.10 lakhs as per notice u/s. 142(1) in its Syndicate Bank account and as per the AO the assessee was unable to offer any explanation with documentary evidences. Accordingly it was treated as unexplained investment u/s. 69A of the Act and assessment was completed. Aggrieved by the above order, the assessee filed appeal before the First Appellate Authority (FAA).

3. During the appellate proceedings the assessee submitted only that cash deposits were out of previous withdrawals and the FAA noted that assessee has not provided bank statement and cash book, even though during the submissions it was noted by the assessee that bank statements are attached to the written submissions, when the same is not actually attached with the appellate proceedings. He dismissed the appeal of the assessee. Aggrieved, the assessee is in appeal before the ITAT.

4. The ld. AR submitted that during the assessment proceedings as well as appellate proceedings, the entire documents i.e. bank statement etc. were submitted, however the revenue authorities have not properly appreciated and he further submitted that assessee was constructing a building and workers were not ready to accept in cash which was withdrawn earlier. Therefore assessee deposited the cash in his bank account. He also submitted that there is cash book submitted before the revenue authorities and they have not pointed out any defect.

5. The Id. DR submitted that assessee has not submitted the desired information as per section 142(1) and the CIT(Appeals) has also noticed that there was no submission of cash book, bank statement from the assessee's side. However, the Id. AR has submitted that all these were submitted during the course of appellate proceedings. Both the authorities had given ample opportunities to the assessee for explaining the cash deposits during the demonetisation period and he also submitted that it is unbelievable that the amount withdrawn earlier was utilised by the assessee for the cash deposits during demonetization period. Accordingly he submitted that both the authorities are correct.

6. Considering the rival submissions we note that the assessee has deposited cash during the demonetisation period in her bank account which was not explained during the course of assessment proceedings and the information was also not submitted to the AO as per notice u/s. 142(1) and the CIT(Appeals) has also noted that cash book and bank statements were not attached. However, the assessee has submitted that the cash book and bank statements were attached during the appellate proceedings. Since the assessee has submitted the paperbook 1 to 91 pages containing cash book and bank statements and as per certification in the paperbook, we note that copy of cash book and bank statements were not submitted during the course of appellate proceedings, considering the facts of the case and in the interest of justice, we remit the issue to the Assessing Officer for fresh consideration and decision as per law. The assessee is directed to

update its email id, communication address and other details and file necessary documents that would be essential and required for substantiating his case and for proper adjudication by the revenue authorities. Needless to say that reasonable opportunity of being heard be given to the assessee. The assessee is directed to cooperate with the proceedings and in case of further default, the assessee shall not be entitled to any leniency.

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

Pronounced in the open court on this 19th day of July, 2024.

Sd/-
(PRAKASH CHAND YADAV)
JUDICIAL MEMBER

Sd/-
(LAXMI PRASAD SAHU)
ACCOUNTANT MEMBER

Bangalore,
Dated, the 19th July, 2024.

/Desai S Murthy/

Copy to:

1. Appellant
2. Respondent
3. Pr.CIT
4. CIT(A)
5. DR, ITAT, Bangalore.

By order

Assistant Registrar
ITAT, Bangalore.