

IN THE INCOME TAX APPELLATE TRIBUNAL
Mumbai "C" Bench, Mumbai.

Before Shri Pavan Kumar Gadale (JM) & Shri Omkareshwar Chidara (AM)

I.T.A. No. 2163/Mum/2024 (A.Y. 2017-18)

Cotton Nation 304, 3 rd Floor VTM2 Mehra Compound Saki Naka, Andheri East, Mmbai-4000702. PAN : AAHFC2784N (Appellant)	Vs.	ACIT, Circle 26(1) Kautilya Bhavan Bandra Kurla Complex Bandra East Mumbai-400 051. (Respondent)
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Assessee by	Shri Devendra Jain
Department by	Shri H.M. Bhatt
Date of Hearing	03.07.2024
Date of Pronouncement	25.07.2024

O R D E R

Per Omkareshwar Chidara (AM) :-

The only ground of appeal raised by the appellant in the above captioned appeal is as follows :-

“In the facts and circumstances of the case and in law, the Ld. National Faceless Appeal Centre, CIT(A) erred in confirming the addition of Rs. 20,70,885/- u/s. 69A as unexplained money.”

2. During the course of hearing, learned Authorised Representative (Ld. AR for short) of the assessee pleaded that the source of cash deposited is out of sales made by the assessee firm. During this period, the assessee claims that goods worth Rs. 28,52,720/- were returned to them by M/s. Future Lifestyle Fashion Ltd. and the assessee sold these goods in open market and the cash received from customers was deposited into the account. The Ld. AR states that the Learned Assessing Officer (Ld. AO for short) issued notices u/s. 133(6) to only one company – Future Retail Ltd. and gave credit to the

“sales returns” from that company. But, no notice was issued to M/s. Future Lifestyle Fashion Ltd, from where assessee claims to have received goods back from sales made to them. The Ld. AR of the assessee claims that, despite producing the required evidences of “Sales Returns” from M/s. Future Lifestyle Fashion Ltd.”, the Ld. AO did not give credit to this amount of goods returned to the extent of Rs. 28,52,720/-.

3. From the order of the Ld. CIT(A) also, it is observed that the same facts are reproduced, but the operative portion of the Ld. CIT(A) at para 6.1.5, page 11 says that certain additional evidences relating to debit notes without signatures were submitted before him and the genuineness of these debit notes was doubted by the Ld. CIT(A) and the addition of Ld. AO was confirmed.

4. During the course of hearing, Ld. AR of the assessee has strongly pleaded that these additional evidences filed before the Ld. CIT(A) were all genuine.

5. The Ld. DR argued that the genuineness of the debit notes produced before the Ld. CIT(A) was not verified by Department, as they were produced before the Ld. CIT(A) for the first time, as mentioned in the Ld. CIT(A) order. Hence, it was pleaded that the addition may be confirmed.

6. In view of the above, it can be observed that the debit notes were filed for the first time before the Ld. CIT(A) and were not verified either by the Ld. CIT(A) or by Ld. AO.

7. So, it is decided that the matter is remitted back to the file of the Ld. CIT(A) with a direction that he may call for a remand report regarding the genuineness of debit notes and then decide. Suitable opportunity may be

given to the assessee to file the objections, if any and pass necessary order in this regard. The matter is remitted to the file of the Ld. CIT(A) as above.

7. The appeal of assessee is allowed for statistical purposes.

Order pronounced in the open court on 25th July, 2024.

Sd/-
(Pavan Kumar Gadale)
Judicial Member

Sd/-
(Omkareshwar Chidara)
Accountant Member

Mumbai : 25.07.2024

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent
3. The CIT(A)
4. CIT
5. DR, ITAT, Mumbai.
6. Guard File.

//True Copy//

BY ORDER,

(Assistant Registrar)
ITAT, Mumbai

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