

आयकर अपीलीय अधिकरण, कोलकाता पीठ 'A', कोलकाता
IN THE INCOME TAX APPELLATE TRIBUNAL "A" BENCH KOLKATA

Before Shri Sanjay Garg, Judicial Member and Shri Sanjay Awasthi, Accountant Member

I.T.A. No.1162/Kol/2024
Assessment Year: 2017-18

Deputy Commissioner of Income Tax, **Appellant**
Circle-5(1), Kolkata

vs.

Caltradeco Steels Private Limited **Respondent**
Fortuna Tower, 23A, Netaji Subhas Road
5th Floor, Room No. 3 & 4, Kolkata-700001.
(PAN: AADCM9827D)

Appearances by:

Smt. Archana Gupta, Addl. CIT, Sr. DR appeared on behalf of the appellant.

Smt. Sutapa Roy Choudhury, Advocate & Smt. Aritrika Roy, AR appeared on behalf of the Respondent.

Date of concluding the hearing :October 03, 2024

Date of pronouncing the order :October 03, 2024

आदेश / ORDER

संजय गर्ग, न्यायिक सदस्य द्वारा/ Per Sanjay Garg, Judicial Member:

The present appeal has been preferred by the revenue against the order dated 12.12.2023 of the Ld. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi (hereinafter referred to as the "Ld. CIT(A)" passed u/s. 250 of the Income-tax Act, 1961 (hereinafter referred to as the "Act").

2. There is a delay of 101 days as informed by the Registry but condonation petition filed by the revenue for 96 days only. Considering the reasons given by the revenue in the application for condonation delay and taking a liberal view the delay is hereby condoned and the appeal is taken up for hearing.

3. The revenue is aggrieved in this appeal by the action of the Ld. CIT(A) in deleting the addition made by the Assessing Officer (in short, “the AO”) on account of large scale cash deposits in the bank account of the assessee during the demonetization period.

4. The Ld. AR of the assessee has demonstrated that during the assessment proceedings, the assessee had duly submitted before the AO that the aforesaid cash deposits were out of cash withdrawals. The AO has reproduced date wise chart in the assessment order which reveals that there were cash withdrawals and cash deposits regularly and the gaps of time between the cash withdrawal and cash deposits were very small. There was no cash deposited out of any sales transaction etc. as was alleged by the AO. The AO made the impugned addition simply on the ground that the assessee was asked to furnish details of the earlier years as to whether such cash deposits and cash withdrawals are made by the assessee during earlier years also? The Ld. CIT(A), in our view, has rightly observed that this observation of the AO cannot be made the basis for the impugned addition. The assessee duly demonstrated that the cash was withdrawn and re-deposited within a short span of time. The source of cash has been duly proved, therefore, there is no infirmity in the order of the Ld. CIT(A) and the same is hereby upheld.

5. In the result, the appeal of the revenue stands dismissed.

Order is pronounced in the open court.

Sd/-

[Sanjay Awasthi]

लेखा सदस्य/Accountant Member

Sd/-

[Sanjay Garg]

न्यायिक सदस्य/Judicial Member

Dated: 03.10.2024.

JD

Copy of the order forwarded to:

1. **Appellate – DCIT, Circle-5(1), Kolkata**
2. **Respondent – Caltradeco Steels Pvt. Ltd.**
3. CIT(A), NFAC, Delhi
4. Pr. CIT,
5. CIT(DR),

//True copy//

By order

Assistant Registrar, Kolkata Benches