

IN THE INCOME TAX APPELLATE TRIBUNAL  
MUMBAI "A" BENCH : MUMBAI

BEFORE SHRI B.R. BASKARAN, ACCOUNTANT MEMBER  
AND  
SHRI RAJ KUMAR CHAUHAN, JUDICIAL MEMBER

ITA No. 2549/Mum/2024  
Assessment Year 2017-18

Amisha Decor, Shop No. 5, Keval Tower, Liberty Garden Road, Malad (W), Mumbai PAN : ABBFA7926P	vs.	Asst. Commissioner of Income Tax, Circle-30(1), 5 <sup>th</sup> Floor, Kautilya Bhavan, C-41 to C-43, G. Block, Bandra Kurla Complex, Bandra (E), Mumbai
(Appellant)		(Respondent)

Assessee by : Shri Tarun Ghia  
Revenue by : Shri Ram Krishn Kedia, Sr. DR

Date of Hearing : 05/11/2024  
Date of Pronouncement : 05/11/2024

**PER B.R. BASKARAN, A.M :**

The assessee has filed this appeal challenging the order dt.23-03-2024 passed by the Ld. Commissioner of Income Tax (Appeals)-National Faceless Appeal Centre (NFAC), Delhi [‘Ld.CIT(A)'] and it relates to AY. 2017-18. The only issue urged in this appeal is related to the addition of Rs.2.36 crores, being unexplained deposits made into the bank accounts of the assessee.

2. We heard the parties and perused the record. We notice that the assessee did not appear before the AO during the course of assessment proceedings. Hence the AO was constrained to pass the order to the

best of his judgement u/s 144 of the Act. The AO noticed that the assessee made cash deposits into various bank accounts, aggregating to Rs.2,36,30,912/-. Since the assessee did not appear before him to explain the sources of these deposits, the AO assessed the above said amount as 'un-explained income' u/s. 68 of the Income Tax Act, 1961 ('the Act').

3. Before the Ld.CIT(A), the assessee explained that these deposits have been made out of the cash sales. However, the Ld.CIT(A) did not accept the explanations of the assessee and accordingly confirmed the addition made by the AO.

4. Before us, the Ld.AR submitted that the assessee maintains regular Books of Account and the deposits into various bank accounts have been made out of cash balance available in the Books of Account. He submitted that the AO had issued notices to the assessee on-line and hence, it has escaped the attention of the assessee and hence, he could not furnish the details of sources of deposits before the AO. He submitted that the assessee was ready to furnish various documents, including cash book before the Ld.CIT(A), but the First Appellate Authority (FAA) has refused to take cognizance of the same. Accordingly, the Ld.AR submitted that the assessee was not provided proper opportunity to explain the sources of deposits.

5. The Ld.DR, on the contrary, supported the order passed by the tax authorities.

6. Having heard the rival contentions, we notice that the assessee did not get proper opportunity to explain the sources of cash deposits made into his bank account. According to the Ld.AR, the cash deposits have been made out of cash balance available in the Books of

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Accountand accordingly he submitted that the sources of deposits could be explained. Under these set of facts, we are of the view that, in the interest of natural justice, the assessee may be provided with one more opportunity to explain the sources of cash deposits. Accordingly, we set aside the order passed by the Ld.CIT(A) and restore all the issues to the file of AO for examining them afresh, after affording an adequate opportunity of being heard to the assessee. We also direct the assessee to fully co-operate with the AO for expeditious completion of the assessment.

7. In the result, the appeal of the assessee is treated as allowed.

Order pronounced in the open court on 05-11-2024

Sd/-  
[RAJ KUMAR CHAUHAN]  
JUDICIAL MEMBER

Sd/-  
[B.R. BASKARAN]  
ACCOUNTANT MEMBER

Mumbai,  
Dated: 05-11-2024

TNMM

Copy to :

- 1) The Appellant
- 2) The Respondent
- 3) The CIT concerned
- 4) The D.R, "A" Bench, Mumbai
- 5) Guard file

By Order

Dy./Asst. Registrar  
I.T.A.T, Mumbai