

THE INCOME TAX APPELLATE TRIBUNAL  
AHMEDABAD "SMC" BENCH

Before: Dr. BRR Kumar , Vice President  
And Ms. Suchitra Kamble , Judicial Member

ITA Nos. 880 & 881/Ahd/2023  
Assessment Year 2013-14 & 2014-15

Sanjaykumar Virabhai Patel, 77 Patel Faliyu Madhvas, Lunawada Panchmahali-389230 PAN: COLPP5587A (Appellant)	Vs	The ITO, Ward-1, Godhra (Respondent)
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Assessee by: Shri Hardik Vora, A.R.  
Revenue by: Shri C. Dharani Nath, Sr. D.R.

Date of hearing : 20-11-2024  
Date of pronouncement : 22-11-2024

**आदेश/ORDER**

**PER : SUCHITRA KAMBLE, JUDICIAL MEMBER:-**

These two appeals are filed against the order dated 07-09-2023 passed by National Faceless Appeal Centre, Delhi for assessment years 2013-14 and 2014-15.

2. The grounds of appeals are as under:-

**ITA No. 880/Ahd/2023 A.Y. 2013-14**

*“1. On the facts and circumstances of the case as well as law on the subject, the learned Assessing Officer has erred in initiating re-assessment proceedings without serving valid notice u/s 148 of the Act.*

*2. On the facts and circumstances of the case as well as law on the subject, the learned CIT (Appeals) has erred in confirming the addition of Rs. 32,85,400/-on account of cash deposit in bank account.*

*3. On the facts and circumstances of the case as well as law on the subject, the learned CIT (Appeals) has erred in confirming addition of cash deposits without considering that the said deposits were out of the sale of cattle feed.*

*4. Alternatively, on the facts and circumstances of the case as well as law on the subject, the learned CIT (Appeals) has erred in confirming addition of gross cash deposits instead of only profit element.*

*5. It is therefore prayed that the above addition/disallowance made by the assessing officer may please be deleted.*

*6. Appellant craves leave to add, alter or delete any ground(s) either before or in the course of hearing of the appeal.*

**ITA No. 881/Ahd/2023 A.Y. 2013-14**

*“1. On the facts and circumstances of the case as well as law on the subject, the learned Assessing Officer has erred in Initiating re-assessment proceedings without serving valid notice u/s 148 of the Act.*

*2. On the facts and circumstances of the case as well as law on the subject, the learned CIT (Appeals) has erred in confirming the addition of Rs. 28,02,000/-on account of cash deposit in bank account.*

*3. On the facts and circumstances of the case as well as law on the subject, the learned CIT (Appeals) has erred in confirming addition of cash deposits without considering that the said deposits were out of the sale of cattle feed.*

*4 Alternatively, on the facts and circumstances of the case as well as law on the subject, the learned CIT (Appeals) has erred in confirming addition of gross cash deposits instead of only profit element.*

*5. It is therefore prayed that the above addition/disallowance made by the assessing officer may please be deleted.*

*6. Appellant craves leave to add, alter or delete any ground(s) either before or in the course of hearing of the appeal.”*

3. The assessee did not file return of income for assessment year 2013-14. As per the information available on record, the assessee made cash deposit of RS. 32,85,400/- in saving bank account during financial year 2012-13 (A.Y. 2013-14). The case of the assessee was reopened after recording reasons and notice u/s. 148 of the Act dated 31-03-2021 was issued after obtaining necessary approval from the competent authority and served upon the assessee. In response to the notice u/s. 148, the assessee did not file the return of income. Subsequently, notice u/s. 142(1) was issued. The Assessing Officer observed that in response to the said notice, the assessee filed return of income on 15-02-2022 declaring total income of Rs. 1,89,031/-. The assessee has shown sales of Rs. 32,85,400/- and purchase at Rs. 32,87,144/-. The assessee carried out the business of animal husbandry. The assessee is an agriculturist and dealing with animal husbandry business on no profit and no loss basis. After going the assessee's submissions dated 18-03-2022, the Assessing Officer held that the assessee failed to explain the

source of cash deposits amounting to Rs. 32,85,400/- and therefore made addition of the same amount on account of unexplained cash credits u/s. 69A of the Act. The Assessing Officer also initiated proceedings u/s. 271A that of penalty proceedings.

4. Being aggrieved by the assessment order, the assessee filed appeal before the CIT(A). The CIT(A) dismissed the appeal of the assessee.

5. The ld. A.R. submitted that the assessee is an agriculturist and could not file the relevant confirmation letters as well as the credit entries of the collected contribution of the assessee's villagers which are now available with the assessee including bank statement of HDFC treating profit and loss account, capital account and balance sheet for the relevant assessment years and therefore the matter may be remanded back to the file of Assessing Officer for proper verification and adjudication of issues on merit.

6. The ld. D.R. relied upon the assessment order and the order of the CIT(A).

7. We have heard both the parties and perused all the relevant materials available on record. It is pertinent to note

that the assessee could not file evidences including that confirmations of bank statement and trading profit and loss account and profit and loss account, capital account and balance sheet as well as purchase and sales invoices before the Assessing Officer as he was not well versed with the tax proceedings and therefore it will be appropriate to remand back these issues to the file of the Assessing Officer for proper verification of the additional evidences filed before us. The additional evidences is admitted. The Assessing Officer is directed to verify these evidences and adjudicate the same as per tax income tax statutes. Needless to say, the assessee be given opportunity of hearing by following principles of natural justice. It is further directed to the assessee that assessee will co-operate before the Assessing Officer. Thus, appeal ITA 880/Ahd/2023 filed by the assessee is partly allowed for statistical purposes.

8. As relates to ITA No. 881/Ahd/2023 for assessment year 2014-15, the facts are identical except amount deposited in the account, thus, herein also the issues are remanded back to the file of Assessing Officer for proper verification and adjudication of the additional evidences as per income tax statutes. Needless to say, the assessee be given opportunity of hearing by following principles of natural justice. The assessee will fully co-operate with the Assessing Officer and the

proceedings conducted by the Assessing Officer. Thus, appeal ITA 881/Ahd/2023 filed by the assessee is partly allowed for statistical purposes.

9. In the result, both the appeals filed by the assessee are partly allowed for statistical purposes.

Order pronounced in the open court on 22-11-2024

**Sd/-**  
**(DR. BRR KUMAR)**  
**VICE PRESIDENT**

**Sd/-**  
**(SUCHITRA KAMBLE)**  
**JUDICIAL MEMBER**

**Ahmedabad : Dated 22/11/2024**

**आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-**

1. Assessee
2. Revenue
3. Concerned CIT
4. CIT (A)
5. DR, ITAT, Ahmedabad
6. Guard file.

By order/आदेश से,

उप/सहायक पंजीकार  
आयकर अपीलीय अधिकरण,  
अहमदाबाद