

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'B', NEW DELHI**

**BEFORE SHRI SHAMIM YAHYA, ACCOUNTANT MEMBER
AND
SHRI SUDHIR PAREEK, JUDICIAL MEMBER**

ITA No.1898/Del/2024
Assessment Year: 2017-18

Chetan Bhalla R-302, Anupam Apartments East Arjung Nagar, Shahdara, New Delhi PAN No.AKIPB4497N	Vs	ITO Ward- 58(6) New Delhi
(APPELLANT)		(RESPONDENT)

Appellant by	Sh. Sachin Jain, Advocate
Respondent by	Sh. Rajesh Kumar Dhanesta, Sr. DR.

Date of hearing:	26/11/2024
Date of Pronouncement:	06/12/2024

ORDER

PER SHAMIM YAHYA, AM:

This appeal by the assessee is against the order of the CIT(A)/ NFAC dated 15.03.2024 pertaining to A.Y. 2017-18.

2. Grounds of appeal read as under :

1. *That the assessment order passed u/s 143(3) by the Ld. AO and the order passed by CIT(A) u/s 250 deserves to be quashed since the same were passed and confirmed*

by both the lower authorities respectively without following the provisions of the Income Tax Act, 1961 on various legal issues.

2. That the assessment order passed u/s 143(3) by the Ld. AO as well as the order passed by the CIT(A) deserves to be quashed since the same were passed without following the Principles of Natural Justice, settled law as declared by various Courts and without application of mind.

3. That the assessment order passed is invalid and non-existent since the same was passed without jurisdiction.

4. That both the lower authorities were not justified in invoking the provisions of Section 69A since the same are not applicable under the facts and circumstances of the case.

5. That under the facts and circumstances of the case, the addition of Rs. 59,98,500/- made by the Ld. AO and confirmed by the CIT (A) u/s 69A of the Act deserves to be deleted on various grounds.

6. That the appellant craves leave to add, amend, alter or withdraw any ground of appeal at the time of hearing with the permission of the Hon'ble ITAT, Delhi Bench.

3. Brief facts of the case are that assessee has e-filed its return of income for A.Y. 2017-18 on 05.11.2017 declaring total income of Rs.3,09,420/-. Subsequently, the case was selected for scrutiny assessment under CASS. Accordingly,

notices u/s. 143 (2) of the Act, notice u/s. 142 (1) of the Act and other notices under Income Tax Act were issued. Thereafter, the assessment was completed u/s. 143(3) of the Income Tax Act on 10.12.2019 by making an addition of Rs.59,98,500/- u/s. 69A of the Act by treating the cash deposits during the demonetization period as unexplained cash money.

4. Against the aforesaid action of the AO, assessee appealed before the Ld. CIT(A).

5. Upon assessee's appeal, Ld. CIT(A) confirmed the AO's order. Aggrieved with the Ld. CIT(A) order, assessee is in appeal before us.

6. We have heard both the parties and perused the records.

7. At the time of hearing, Ld. AR has submitted that the revenue authorities observed that cash sales details were not given, is factually wrong. He further submitted that revenue authorities observed that the assessee furnished bills/ vouchers to substantiate the sale is incorrect as the bills and vouchers were filed and details available as per ITBA portal. The detailed list of documents submitted before the authorities below are reproduced as under :-

1. Computation and ITR
2. Audited financial statements

3. Tax Audit report along with stock details
4. Confirmed copy of accounts of creditors
5. Bank Book
6. Month-wise sales and purchase
7. Stock details
8. Detail of Sales (bill wise)

7.1 Referring to the above, Ld. AR pleaded that all the necessary documents were duly presented before the revenue authorities, which were not properly examined by them. However, the revenue authorities have cursorily made the addition. He further pleaded that an opportunity may be granted to the assessee to canvass the case properly before the AO by setting aside the issues in dispute to the file of the AO for fresh adjudication. Per contra, Ld. DR did not have any serious objection to the aforesaid proposition of the Ld. AR.

8. We have considered the submissions and perused the records. We find that the plea of the assessee's AR is that the sales duly recorded in the books of accounts which have been duly audited, were not properly examined by the AO and addition has been made. We find considerable cogency in the submissions of the Ld. AR for the assessee that revenue authorities have not examined documents submitted

in this regard properly. Hence, in the interest of justice we remit back the issues to the file of the AO. The AO is directed to consider the issues in dispute afresh, after giving an opportunity of being heard to the assessee.

9. In the result, the appeal of the assessee is allowed for statistical purpose.

Order pronounced in the open court on 06.12.2024.

SD/-

(SUDHIR PAREEK)
JUDICIAL MEMBER

NEHA/SR Bhatnagar

Date:- 06.12.2024

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

SD/-

(SHAMIM YAHYA)
ACCOUNTANT MEMBER

ASSISTANT REGISTRAR
ITAT NEW DELHI