

IN THE INCOME TAX APPELLATE TRIBUNAL
“PATNA BENCH, PATNA
VIRTUAL HEARING AT KOLKATA

Before Shri Sonjoy Sarma, Judicial Member and Shri Sanjay Awasthi, Accountant Member

I.T.A. No.305/Pat/2024
Assessment Year: 2017-18

Sanjeev Ranjan.....Appellant
Shanta Bhawan, Road No.8,
Patel Nagar, Patna- 800023.
[PAN: ABZPR5817Q]

vs.

DCIT, Circle-6, Patna.....Respondent

Appearances by:

Shri A. K. Rastogi, Advocate, appeared on behalf of the appellant.

Shri Ashwani Kumar, Sr. DR, appeared on behalf of the Respondent.

Date of concluding the hearing : December 17, 2024

Date of pronouncing the order : December 18, 2024

ORDER

Per Sonjoy Sarma, Judicial Member:

The present appeal has been preferred by the assessee against the order dated 15.02.2024 of the National Faceless Appeal Centre [hereinafter referred to as ‘CIT(A)’] passed u/s 250 of the Income Tax Act (hereinafter referred to as the ‘Act’).

2. Brief facts of the case are that the assessee is an individual and filed his return of income by declaring total income of Rs.43,06,640/- on 21.10.2017 for the assessment year 2017-18 under the head ‘income from house property’, ‘profit & gains from business or profession’ and ‘income from other sources’. The case of the assessee was selected for scrutiny under CASS to verify cash deposits during demonetization period. Accordingly, notice u/s 143(2) of the Act was issued. Subsequently, notice u/s 142(1) of the Act was also issued calling for furnishing details such as ITR, computation of income, audit report pertaining to the relevant assessment year, list of all bank accounts held

during the F.Ys. 2015-16, 2016-17 & 2017-18 along with its statements and copy of cash books for F.Ys. 2015-16, 2016-17 & 2017-18. However, despite serving of notices, there was no compliance from the assessee's side. On examination of bank statements, the Assessing Officer found that the cash deposits of Rs.2,05,07,570/- and Rs.1,75,000/- in ICICI bank, Rs.15,00,000/- & Rs.5,24,400/- in SBI, Rs.2,00,000/- and Rs.9,61,020/- in Bank of India were made by the assessee during demonetization period. Thus the total cash deposits during demonetization period were Rs.2,38,67,990/-. The Assessing Officer did not get any statutory explanation or no response was provided on the part of the assessee, therefore, he treated the entire amount of Rs.2,38,67,990/- as unexplained income u/s 115BBE and taxed it @ 60%.

3. Dissatisfied with the above order, the assessee filed an appeal before the ld. CIT(A). However, despite issuing of notices, the assessee failed to appear or submit any supporting document before the ld. CIT(A). Accordingly, the ld. CIT(A) based on material available on record sustained the addition made by the Assessing Officer to the extent of Rs.2,29,06,970/- granting relief of Rs.9,61,020/- and remanded the issue back to the file of the Assessing Officer to verify the claim of the assessee in respect of Rs.9,61,020/-.

5. Aggrieved by the order of the ld. CIT(A), the assessee preferred the appeal before this Tribunal raising multiple grounds. However, the primary contention of the assessee is that the assessee did not get a fair opportunity to appear before the ld. CIT(A) in order to substantiate his claim. He further contended that although notices were issued but these were not effectively brought to the attention of the assessee by the engaged counsel. He, therefore, sought one more opportunity to present his case properly by submitting supporting documents in order to prove the assessee's case before the ld. CIT(A).

6. On the other hand, the ld. DR objected the assessee's plea by submitting that sufficient opportunities were provided to the assessee at every stage of proceedings and the assessee has failed to comply despite issuance of repeated notices before the authorities below. Thus, the appeal may be dismissed in limine.

6. We, after hearing the rival submission of the parties and perusing the materials available on record, find that it is evident that the assessee has failed to appear before the ld. CIT(A) in spite of providing multiple opportunities given to the assessee. However, in the interest of justice and fair play, we deem it necessary to set aside the issue and remand back the issue to the file of the ld. CIT(A) for decision afresh on merits after providing reasonable opportunity of being heard to the assessee. We also direct the assessee to comply with the notices issued by the ld. CIT(A) during the remand proceedings without fail and furnish all relevant documents to substantiate his claim.

7. In terms of the above, the appeal of the assessee is allowed for statistical purposes.

Kolkata, the 18th December, 2024.

Sd/-
[Sanjay Awasthi]
Accountant Member

Sd/-
[Sonjoy Sarma]
Judicial Member

Dated: 18.12.2024.

RS

Copy of the order forwarded to:

1. Sanjeev Ranjan
2. DCIT, Circle-6, Patna
3. CIT(A)-
4. CIT- ,
5. CIT(DR),

//True copy//

By order

Assistant Registrar, Kolkata Benches