

**IN THE INCOME TAX APPELLATE TRIBUNAL  
COCHIN BENCH : COCHIN**

**BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER  
AND  
SHRI SOUNDARARAJAN K., JUDICIAL MEMBER**

<b>ITA No. 670/Coch/2023</b>
<b>Assessment Year : 2017-18</b>

Shri Udayabhanu Janardhanan, Kaanjiyil House, Asramam West, Kollam, Kerala – 691 002. <b>PAN: AEEPJ9096H</b>	<b>Vs.</b>	The Income Tax Officer, Ward – 4, Kollam.
<b>APPELLANT</b>		<b>RESPONDENT</b>

Assessee by	:	Shri Rajagopal, CA
Revenue by	:	Smt. Leena Lal, Snr. AR

Date of Hearing	:	27-11-2024
Date of Pronouncement	:	27-01-2025

**ORDER**

**PER SOUNDARARAJAN K., JUDICIAL MEMBER**

This is an appeal filed by the assessee challenging the order of the NFAC, Delhi dated 14/09/2022 in respect of the A.Y. 2017-18 and raised the following grounds:

	<i>Grounds of Appeal</i>	<i>Tax effect relating to each ground of appeal (see note below)</i>
1	<i>The order of the Commissioner of Income tax (Appeals) is against facts, law and circumstances of the case</i>	0
2	<i>The Commissioner of Income tax (Appeals) has erred in upholding that the assessment order and dismissing the appeal of the appellants</i>	0
3	<i>The Commissioner of Income tax (Appeals) ought to have found that the assessment order was passed without granting adequate opportunity to the appellant for submitting the details required. Thus there has been gross violation of the principles of natural justice</i>	0
4	<i>The Commissioner of Income tax (Appeals) ought to have found that the provisions of section 68 of the IT Act are not applicable to the appellant's case</i>	0
5	<i>The Commissioner of Income tax (Appeals) has erred in confirming the addition of Rs.681900/- in the facts and circumstances of the case. The addition is purely estimated, arbitrary and without any basis</i>	526768
6	<i>The Commissioner of Income tax (Appeals) has grossly erred in concluding that the cash deposits made during the demonetization period was abnormally high vis-à-vis for the entire year</i>	0
7	<i>The Commissioner of Income tax (Appeals) erred in upholding the order of the Assessing Officer on the mere reason that the appellant has not denied the basis on which the Assessing Officer has made the addition</i>	0
8	<i>Any other ground that may be adduced at the time of hearing</i>	0
	<i>Total Tax Effect</i>	5,26,768

**2.** The assessee is an agent to Dish Infra Services Pvt. Ltd. and received commission for the new connections procured by him. In the said business, the assessee collected the charges for cable connections from the customers and deposited into his account and thereafter transferred the charges to the company. During the A.Y. 2017-18, the assessee vide his return of income showed a gross commission of Rs. 24,93,833/- and a net income of Rs. 5,38,632/-. Thereafter the case was selected for scrutiny and the assessee was not able to file the details sought for by the AO since he was taking treatment.

**3.** After the recovery, the assessee collected the details but unfortunately the AO had made the assessment on 07/12/2019. The assessee filed an appeal before the Ld.CIT(A) and contended that the cash deposit made during the demonetisation period could not be treated as unexplained cash deposit since the assessee had deposited the charges collected from the customers. The assessee further contended that he is an agent to Dish Infra Services Pvt. Ltd. and therefore he is receiving only commission and therefore the entire deposits made during the demonetisation period could not be treated as unexplained cash deposits. The Ld.CIT(A) had not accepted the case of the assessee for the reason that during the demonetisation period, there was abnormal cash deposits than appeared for the entire year. Therefore the Ld.CIT(A) has upheld the order of the AO and treated the said deposits as unexplained cash deposits. As against the said order, the assessee filed an appeal before this Tribunal and raised several grounds.

**4.** At the time of hearing, the Ld.AR filed a paper book enclosing the chart showing the month wise cash deposits, copy of the bank statement of UCO Bank, copy of the agreement with M/s. Dish Infra Services Pvt. Ltd. and the copy of the letter issued by the said company for our perusal. The Ld.AR also filed a petition with a plea to admit the said documents filed in

the paper book as additional evidences since the same were not filed before the AO.

**5.** The Ld.DR relied on the order of the lower authorities and submitted that no details were furnished before the AO and CIT(A) and therefore objecting the documents filed by the assessee before this Tribunal and prayed to dismiss the appeal.

**6.** We have heard the arguments of both sides and perused the materials available on record.

**7.** We have perused the assessment order and found that the assessee has not furnished the details called for by the AO and therefore the assessment has been completed on the details available with the department. Even before the Ld.CIT(A), the assessee had not furnished any details and therefore the authorities had passed an assessment order by treating the cash deposits made during the demonetisation period as unexplained cash deposits.

**8.** We have also considered the submissions made by the assessee that because of his health, he was not able to respond to the notices issued by the AO as well as by the Ld.CIT(A). But admittedly, before us, the assessee had filed the required details along with the application to consider the same as additional documents.

**9.** We found that the additional documents now filed before us were not made available before the lower authorities and therefore they have no occasion to deal with the same. In order to render justice, we deem it fit to admit the additional evidences now filed before us for the first time and direct the assessee to furnish all the details before the AO. For that purpose, we are setting aside the orders of the lower authorities and remit the issue to the file of the AO with the direction to consider the documents

filed by the assessee and pass orders afresh, in accordance with law after hearing the assessee in person.

**10.** In the result, the appeal filed by the assessee is allowed for statistical purposes.

Order pronounced in the open court on 27<sup>th</sup> January, 2025.

Sd/-  
(INTURI RAMA RAO)  
Accountant Member

Sd/-  
(SOUNDARARAJAN K.)  
Judicial Member

Bangalore,  
Dated, the 27<sup>th</sup> January, 2025.  
/MS /

Copy to:

- |               |                     |
|---------------|---------------------|
| 1. Appellant  | 2. Respondent       |
| 3. CIT        | 4. DR, ITAT, Cochin |
| 5. Guard file | 6. CIT(A)           |

By order

Assistant Registrar,  
ITAT, Cochin