

**IN THE INCOME TAX APPELLATE TRIBUNAL "CUTTACK" BENCH, CUTTACK**

**BEFORE SHRI GEORGE MATHAN, JM  
AND**

**SHRI RAJESH KUMAR, AM**

**ITA No. 153/CTK/2025**

**(Assessment Year: 2018-19)**

**Income Tax officer**

O/o The Income Tax officer,  
Jajpur Ward, Dala, Near Town  
Hall, Jajpur Road, Jajpur-755019  
Odisha

**(Appellant)**

**Tushar kanta Routray**

S/o Sarat Kumar Routray  
Dhanipur, markandapur, jajpur-  
755007, Odisha,

**(Respondent)**

**PAN No. AIIPR0400K**

**Assessee by** : Shri Manas Ranjan Nayak, AR

**Revenue by** : Shri Nishanth Rao B, DR

**Date of hearing:** 22.07.2025

**Date of pronouncement:** 22.07.2025

**ORDER**

**PER PENCH:**

This is the appeal filed by the Revenue against the order of Id. CIT (A), NFAC, in appeal no. ITBA/NFAC/S/250/2024-25/1071677886(1) dated 30.12.2024 for A.Y. 2018-19.

02. Shri Manas Ranjan Nayak represented on behalf the assessee and Shri Nishanth Rao B, represented on behalf of the Revenue.
03. It was submitted by the Id. senior DR that the assessee has been non-co-operative before the AO and before the Id. CIT (A). It was the submission that there were substantial cash withdrawals from the current account of the assessee. The AO had treated the said amount as the unexplained income of the assessee by treating the credits in the bank account as unexplained. It was a submission that before the Id. CIT (A) also the assessee did not appear. But however, the Id. CIT (A)

estimated the income of the assessee at 8%. It was a submission that there was no provision for estimation. It was a prayer by the Id. Counsel for the assessee that the issue may be restored to the file of the AO for re-adjudication and the order of the Id. CIT (A) may be set aside.

04. In reply, the learned AR on behalf of the assessee submitted that the actual income of the assessee is only about 4 or 5 lakhs. It was fairly agreed that the assessee has not appeared before the Id. AO or Id. CIT (A). It was a prayer that the issues may be restored to the file of the AO and the assessee would cooperate in the set-aside proceedings.
05. We have considered the rival submissions. As it is noticed that the assessee has not appeared before the AO or the Id. CIT (A) and the Id. CIT (A) has treated the deposits in the bank account as the turnover of the assessee and estimated the income. We are of the view that the same is not permissible. In these circumstances, we set aside the order of the Id. CIT (A) and restore the issues to the file of the Id. AO for re-adjudication after granting the assessee adequate opportunity of being heard. Should the assessee not cooperate in the set-aside proceedings, liberty is granted to the AO to draw adverse inference.
06. In the result, appeal of the revenue is partly allowed for statistical purposes.

Order pronounced in the open court on 22.07.2025.

Sd/-  
(RAJESH KUMAR)  
(ACCOUNTANT MEMBER)

Sd/-  
(GEORGE MATHAN)  
(JUDICIAL MEMBER)

Kolkata, Dated: 22.07.2025

*Sudip Sarkar, Sr.PS*



Copy of the Order forwarded to:

1. The Appellant
2. The Respondent
3. CIT
4. DR, ITAT,
5. Guard file.

True Copy//

BY ORDER,

Sr. Private Secretary/ Asst. Registrar  
Income Tax Appellate Tribunal, Cuttack