

**IN THE INCOME TAX APPELLATE TRIBUNAL
PATNA BENCH AT KOLKATA**

[Virtual Court]

Before

**SHRI SONJOY SARMA, JUDICIAL MEMBER
&
SHRI RAKESH MISHRA, ACCOUNTANT MEMBER**

**I.T.A. No.: 183/PAT/2025
Assessment Year: 2017-18**

| | | |
|----------------------------------|-----|---|
| Ajay Kumar (Appellant) | Vs. | ITO, Ward-1(3), Vaishali (Respondent) |
| PAN: AOAPK5299P | | |

Appearances:

Assessee represented by : None.

Department represented by : Ashwani Kr. Singal, JCIT.

Date of concluding the hearing : 22-July-2025

Date of pronouncing the order : 20-August-2025

ORDER

PER RAKESH MISHRA, ACCOUNTANT MEMBER:

This appeal filed by the assessee is against the order of the Commissioner of Income Tax (Appeals)-NFAC, Delhi [hereinafter referred to as Ld. 'CIT(A)'] passed u/s 250 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') for AY 2017-18 dated 04.02.2025, which has been passed against the assessment order u/s 144 of the Act, dated 10.12.2019.

2. The assessee is in appeal before the Tribunal raising the following grounds of appeal:

"1) For that the Grounds of Appeal hereto are without prejudice to one another.



2) For that in the facts and circumstances of the ease ld. CIT (A) is not justified in not giving proper time to substantiate its claim which is violative of principal of natural justice.

3) For that the learned CIT(A) is not justified in confirming the addition of Rs. 70,19,628/- as unexplained cash credit as u/s 69A of the I.T. Act, 1961 Income assessed is taxed u/s 115 BBE of the Act at the rate of 60%. Whenever, the fact is on record that the appellant was engaged in communication service provider (CSP) of State Bank of India which is arbitrary and unjustified.

4) For that die entire assessment order is bad both in law and facts of the case.

5) For that the demand made on account of interest u/s 234A, 234B. and 234C is unsustainable in law being mechanical and without the sanction of law.

6) For that the initiation of penalty proceedings u/s 271AAC of the I.T. Act, 1961 is arbitrary', unjustified, void, ab-initio and bad in laws.

7) For that the initiation of penalty proceedings u/s 272A(1)(d) of die I.T. Act, 1961 is arbitrary', unjustified, void, ab-initio and bad in laws.”

3. Brief facts of the case are that the assessee, an individual, did not file his return of income for the relevant AY 2017-18. As per information gathered under “Operation Clean Money”, the assessee deposited cash of ₹11,36,000/- during the demonetization period and ₹70,19,628/- during the FY 2016-17. Accordingly, notice u/s 142(1) of the Act was issued from time to time. Despite having been provided ample opportunities, the assessee failed to furnish any details relating to business activities undertaken by the assessee, nature of income earned, details of bank accounts, details of cash deposits made in the bank accounts, sources of cash deposits, details of cash deposits made during demonetization period, and also during pre & post-demonetization period along with sources thereof. Therefore, in the absence of any such documents/evidence, the amount of cash deposits of ₹70,19,628/- has been treated by the Assessing Officer (hereinafter



referred to as Ld. 'AO') as unexplained money and added to the total income of the assessee u/s 69A of the Act.

4. Aggrieved with the assessment order, the assessee filed an appeal before the Ld. CIT(A). It was mentioned in the Statement of Facts that *the assessee is engaged in business of communication service provider (CSP) of State Bank of India and copy of registration certificate was enclosed. During the year under consideration he had made transaction out of collection from customers and the commission as per the agreement was his only source of income. The Customer Service Points, often referred to as CSPs, are authorized service centers that facilitate banking transactions and services on behalf of a partner bank. These CSPs can be set up in various locations, such as retail shops, post offices, or local businesses, acting as an extension of the bank's services. They provide basic banking services like account opening, cash deposit and withdrawal, fund transfers, and bill payments. CSPs employ trained individuals who act as customer service representatives, offering personalized assistance and guidance to customers. The assessee had got training for this purpose and bearing CSP ID no. 38801248 of Save Solutions Private Limited. In this regard an MOU was executed dated 04/11/2014 between the assessee individual and Society for Advancement of Village Economy (SAVE). A copy of agreement along with certificate for relevant period was also filed and as per the MOU, the assessee was empowered to collect cash on behalf of the bank in different points from the customers. All the amount deposited during the demonetization period was not related to assessee's own cash but it was the customers' cash. The assessee was an agent for collecting money on behalf of the bank from remote areas of village having no facility of bank. However, the assessee had not given any evidence as to from which*



persons the money was collected or on whose behalf the cash deposit was made in State Bank of India. In his reply the assessee had agreed that the cash given by the customers to him was deposited by him in his bank account. During the entire period for the above mentioned year total cash deposited to the tune of Rs.70,19,628/- and out of total amount only Rs. 11,36,000/- was deposited during the demonization period i.e. 09/11/2016 to 31/12/20216. It was submitted that the assessee had deposited cash during the demonetization period out of the collected money on behalf of the bank. As regards the addition to the income of the assessee, the Ld. CIT(A) noted that both parties to the lis viz. the Ld. A.O. as well as the appellant had alleged that adequate evidences had not been brought on to record and the Ld. AO was forced to pass the assessment order u/s 144 of the Act. Hence, keeping in view the newly inserted proviso to section 251(1)(a) of the Act by virtue of which the Commissioner (Appeals) in case of order of assessment made u/s 144 of the Act, may set aside such assessment and refer the case back to the AO for making a fresh assessment, which proviso has been inserted in the Act w.e.f. 01.10.2024. Since, the appellant did not furnish any concrete documentary evidences during the assessment proceedings; the appellate authority has very limited scope of verification of records. Therefore, the assessment order passed by the Ld. A.O. dated 10.12.2019 is hereby set aside for the purpose of making a fresh assessment.

4. None appeared before us in the course of the appeal and the appeal was heard with the assistance of the Ld. DR. Since the Ld. CIT(A) had exercised his power and had set aside the order passed by the Ld. AO u/s 144 of the Act to the Ld. AO for making fresh assessment as per para 6.10 and 7 therefore, we do not find any infirmity in the order of



the Ld. CIT(A) and the grounds of appeal raised by the assessee are dismissed.

5. In the result, the appeal filed by the assessee is dismissed.

Order pronounced in the open Court on 20th August, 2025.

Sd/-

[Sonjoy Sarma]
Judicial Member

Sd/-

[Rakesh Mishra]
Accountant Member

Dated: 20.08.2025

Bidhan (Sr. P.S.)



Copy of the order forwarded to:

1. **Ajay Kumar, 1, Hasanpur Bhadwas Mahua Hajipur, Bihar, 844122.**
2. **ITO, Ward-1(3), Vaishali.**
3. CIT(A)-NFAC, Delhi.
4. CIT-
5. CIT(DR), Patna Bench, Patna.
6. Guard File.

// True copy //

By order

Assistant Registrar
ITAT, Kolkata Benches
Kolkata