



IN THE INCOME TAX APPELLATE TRIBUNAL, RANCHI BENCH, RANCHI

BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER AND
SHRI RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER

ITA No. 43/Ran/2024

(Assessment Year: 2017-18)

Vishnu Kumar Bhartia, Prop.-M/s Madhur Mani, Morth Market Road, Upper Bazar, Ranchi-834001. PAN No. ADGPB 9180 R	Vs.	I.T.O., Ward 3(2), Ranchi.
Appellant/ Assessee		Respondent/ Revenue

Assessee represented by	Shri Vinay Goenka, C.A.
Department represented by	Shri Khub Chand Pandya, Sr. DR
Date of hearing	20/08/2025
Date of pronouncement	20/08/2025

ORDER

PER: BENCH

1. This is an appeal filed by the assessee against the order of the Id. Addl/JCIT(A)-5, Kolkata in Appeal No. CIT(A), Ranchi/10642/2019-20 dated 08/01/2024 for the A.Y. 2017-18.
2. Shri Vinay Goenka, Id. A.R. is represented on behalf of the assessee and Shri Khub Chand Pandya, Id. Sr.DR is represented on behalf of the revenue.
3. It was submitted by the Id. AR that in the course of assessee, the Assessing Officer had disallowed cash deposit of ₹ 4,63,709/-. It was a submission that this amount of ₹ 4,63,709/- represented the disallowance out of the sundry debtors recovered by the assessee. It was a submission that the assessee had an opening balance of ₹ 16,09,585/- as on 09/11/2016 and had also disclosed cash sales of ₹ 13,53,706/-. It was a submissions that both these were accepted. In respect of the recoveries from the sundry debtors to an

extent of ₹ 11,28,661/-, the same was not accepted. It was a submission that the total of ₹ 16,09,585/- and 13,53,706/- comes to ₹ 29,63,291/- and this was accepted as the source for the deposit in the bank account. The balance of ₹ 4,63,709/- was a partial disallowance from the sundry debtors. It was a submission that the all the sundry debtors, ledgers has been produced, they are income tax assessee, their PAN numbers were available in the ledger and confirmation of accounts. It was a further submissions that the Assessing Officer has not identified which of the debtors recovered is not being accepted. It was a submission that as the details had also been produced before the Assessing Officer. The addition as made by the Assessing Officer and as confirmed by the Id. CIT(A) is liable to be deleted.

4. In reply, the Id. Sr.DR vehemently supported the orders of the Assessing Officer and the Id. CIT(A).
5. We have considered the rival submissions. A perusal of the facts in the present case clearly shows that out of the cash deposit of ₹ 34,27,000/- during the demonetization period, the Assessing Officer has accepted the opening balance as on 09/11/2016 and the cash sales during the demonetization period. The Assessing Officer has disbelieved the part of the sundry debtors recovered to the extent of ₹ 4,63,709/-. The Assessing Officer has admittedly not specified which of the debtors are being disbelieved. The details and the account confirmations as provided by the assessee contains the names, addresses, confirmations and the PAN numbers of the debtors. This being so, we are of the view that the addition as made by the Assessing

Officer and as confirmed by the Id. CIT(A) to the extent of ₹ 4,63,709/- is unsustainable and consequently delete the same.

6. In the result, this appeal of the assessee is allowed.

Order announced in open court on 20th August, 2025.

Sd/-
(RATNESH NANDAN SAHAY)
ACCOUNTANT MEMBER

Sd/-
(GEORGE MATHAN)
JUDICIAL MEMBER

Ranchi, Dated: 20/08/2025

*Ranjan

Copy to:

1. Assessee
2. Revenue
3. CIT
4. DR
5. Guard File

By order

Sr. Private Secretary, ITAT, Ranchi

