

**IN THE INCOME TAX APPELLATE TRIBUNAL  
AMRITSAR BENCH, AMRITSAR**

**BEFORE SH. UDAYAN DASGUPTA, JUDICIAL MEMBER  
AND SH. KHETTRA MOHAN ROY, ACCOUNTANT MEMBER**

**I.T.A. No. 562/Asr/2024**  
Assessment Year: 2017-18

Chanchala Kumari  
Ward No. 6, R S Pura,  
Jammu, J&K 181102

Vs.

Income Tax Officer,  
Ward-1(1), Jammu

[PAN: CLRPK 2694D]

**(Appellant)**

**(Respondent)**

Appellant by : Sh. Nipun Khanna, C.A.  
Respondent by : Sh. Charan Dass, Sr. D.R.  
Date of Hearing : 19.08.2025  
Date of Pronouncement : 22.08.2025

**ORDER**

**Per Udayan Dasgupta, J.M.:**

This appeal is filed by the assessee against the order of the Id. CIT (A) NFAC, Delhi dated 29.08.2024 passed u/s 250 of the Income Tax Act, 1961 which has emanated from the order of the ITO, Ward-1(1), Jammu passed u/s 144 of the Act, 1961 dated 20.12.2019.

2. There are 10 (ten) grounds of appeal taken by the assessee in Form No. 36. The main contention of the assessee is that the first appellate authority has dismissed the appeal by non-speaking order without allowing proper opportunity of being heard, even though it is seen that the written submissions has been filed in response to the notices issued from the office of the ld. first appellate authority.
3. Brief facts emerging from record are that the assessee has made cash deposit amounting to *Rs.24.33 lakhs in SBN* during the demonetization period, in his bank account. It was also observed that the total deposit or total credit in bank account was to the tune of *Rs.1.17 crores for the entire financial year (excluding the amount deposited during the demonetization period)*. In absence of any response or explanation from the assessee to various notices issued by the AO, the assessment has been completed *ex-parte* on a total income of *Rs.33.72 lakhs (including of an amount of Rs.24.33 lakhs on account of SBN deposit u/s 69A of the Act, plus eight percentage of remaining credits in the bank account)*.
4. The matter was carried in appeal and written submissions has been filed by the assessee through portal where the assessee has claimed that the cash deposited in bank account is actually the bank account of the partnership firm *M/s Ram Saran Dass Surinder Kumar* (PAN: AAPFR 3211D). He also filed copies of the partnership deed consisting of four partners out of which the assessee, *Chanchala Kumari* is one

of the partners, along with the copies of income tax return, audited financial statement and copy of the bank account of the partnership firm maintained with Jammu & Kashmir Bank, being *A/c No. xxxxxxx000909* and submitted that the bank account belongs to the partnership firm and same is duly reflected in the audited balance sheet, and the cash deposited in bank account are reflected in the regular cash book of the partnership concern and the assessee individually is not the owner of the same.

5. However, the Id. first appellate authority has dismissed the appeal on the ground that application under *Rule 46A* for submission of fresh evidence has not been made by the assessee and as such there is no reason to interfere with the well reasoned order of the AO, thereby dismissing the appeal.

6. In course of appeal before the Tribunal, the Id. AR of the assessee reiterated the same submissions that cash has been deposited in the bank account of the partnership firm of *M/s Ram Saran Dass Surinder Kumar* (PAN: AAPFR 3211D) which is separately assessed to tax, and the firm engaged in the trading of Kirana (grocery) goods and the cash deposited in bank account are out of sale proceeds of *kirana business* and are duly reflected in the regular books of account of the partnership, and the cash deposited during the demonetization period are out of the cash balance available on the date of demonetization.

7. He further referred to a bank certificate issued by the Manager, *Jammu & Kashmir Bank* who has certified that the current A/c No. xxxxx000909 was opened on 7<sup>th</sup> September, 2017 in the name of the partnership firm *M/s Ram Saran Dass Surinder Kumar* consisting of four partners out of which *Chanchala Kumari* is one of the partners. We also find that the said bank account is duly reflected in the audited account of the partnership concern. The Id. AR also referred to the acknowledgement receipts as evidence of submissions made before the *CIT(A) dated 18.08.2024* and submitted that all documentary evidences has been uploaded in the portal with full clarifications and explanations which has not been properly considered by the Id. first appellate authority and if proper cognizance is given to the said documents, then no addition in the hands of the assessee will be justified.

8. The Id. DR relied on the order of the Id. CIT(A).

9. We have heard the rival submissions and considered the materials on record and we find that, apparently from the documentary evidences submitted before us by way of paper book, the bank A/c were cash has been deposited, during the demonetization period (being A/c No. xxxxxxx000909) *Jammu & Kashmir Bank*, are reflected in the audited balance sheet of the partnership firm, and are also supported by audited accounts, audited report, banker's certificate and partnership deed which

points to the fact that the cash has been deposited by the partnership firm and as claimed by the assessee, the same is also reflected in the regular return of firm.

10. As such, we are of the opinion, the matter needs to be verified by the Assessing Officer and in the interest of justice, we set aside the mater back to the files of the Assessing Officer for fresh assessment and we direct the assessee to file all documentary evidences in support of his contention along with the books of account to establish the fact that the cash deposited in bank during the demonetization period are out of sale proceeds of the partnership business and are related to the partnership and are fully explained.

11. We have not expressed any opinion on merits of the case and all legal issues are left open.

12. In the result, the appeal filed by the assessee is allowed for statistical purpose.

Order pronounced in open court as on 22.08.2025.

**Sd/-**  
**(Khettra Mohan Roy)**  
**Accountant Member**

**Sd/-**  
**(Udayan Dasgupta)**  
**Judicial Member**

*\*GP/Sr.PS\**

Copy of the order forwarded to:

- (1)The Appellant:
- (2) The Respondent:
- (3) The CIT concerned

(4) The Sr. DR, I.T.A.T

True Copy

By Order