

**IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA 'C' BENCH, KOLKATA**

Before

**SHRI GEORGE MATHAN, JUDICIAL MEMBER
&
SHRI RAKESH MISHRA, ACCOUNTANT MEMBER**

**ITA No.: 1519/KOL/2024
Assessment Year: 2017-18**

M/s. Starburst Motors Pvt. Ltd.	Vs.	D.C.I.T., Circle-14(2), Kolkata
(Appellant)		(Respondent)
PAN: AARCS6492C		

Appearances:

Assessee represented by : Vishal Agarwal, AR.

Department represented by : Ruchika Sharma, SR. DR.

Date of concluding the hearing : 14-January-2026

Date of pronouncing the order : 29-January-2026

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 27.03.2024.

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

"1. For that on the facts and in the circumstances of the case, the Ld. CIT(A) was vehemently wrong and unjustified in confirming the addition made by the ld. A.O. amounting to Rs. 1,05,52,000/- invoking the provision of section 68 of the Income Tax Act, 1961, without providing adequate and reasonable opportunity of being heard before disposal of appeal. Relief claimed: the appellate order should be quashed and the appeal should be restored to Ld. CIT(A) to provide reasonable opportunity of being heard and the appeal to be decided afresh.



2. Without prejudice to above, for that on the facts and in the circumstances of the case, the Ld. CIT(A) was vehemently wrong and unjustified in confirming the addition made by the ld. A.O. amounting to Rs. 1,05,52,000/- invoking section 68 of the Income Tax Act, 1961 even though the relied section is not applicable in the present facts of the case. Relief claimed: the addition of Rs. 1,05,52,000/- should be deleted as section 68 of the Income Tax Act, 1961 should be not applied in the present facts of the case.

3. Without prejudice to above, for that on the facts and in the circumstances of the case, the Ld. CIT(A) was vehemently wrong and unjustified in confirming the addition made by the ld. A.O. amounting to Rs. 1,05,52,000/- on account of cash receipts, invoking the provision of section 68 of the Income Tax Act, 1961, even though the same was recorded by the appellant as sale consideration for the year and was considered the year. Relief claimed: the addition of Rs. 1,05,52,000/- should be deleted as taxing the same as income leads to double taxation which is not the intent of the law.

4. Without prejudice to above, for that on the facts and in the circumstances of the case, the Ld. CIT(A) was vehemently wrong and unjustified in confirming the addition made by the ld. A.O. amounting to Rs. 1,05,52,000/- on account of unaccounted cash, without making any proper enquiry and without finding any infirmity in the documentary evidences submitted before the Ld. A.O. to substantiate that it was part the sale consideration. Relief claimed: the addition of Rs. 1,05,52,000/- should be deleted.

5. That the appellant craves leave to add, alter, modify, amend, delete and/or withdraw any or all of the grounds of appeal.”

3. Brief facts of the case are that the return of income was e-filed showing total income of ₹46,83,010/-. The assessee is a dealer of Maruti Suzuki and earns revenue from operations and sale of motor cars, lubricants and receipts in the form of service charges. A sum of ₹1,05,52,000/- (inadvertently mentioned as ₹1,05,52,0000/- on page 2 of the assessment order) was found deposited in the bank account during the demonetisation period up to 30.12.2016 and the explanation



filed by the assessee was not accepted and the sum was added u/s 68 of the Act to the total income of the assessee. Aggrieved with the assessment order, the assessee filed an appeal before the Ld. CIT(A), who dismissed the appeal of the assessee as the assessee failed to explain the nature and source of the cash deposits and as the assessee had not furnished any written submission in support of the claim.

4. Aggrieved with the order of the Ld. CIT(A), the assessee has filed the appeal before the Tribunal.

5. Rival contentions were heard and the submissions made have been examined. At the outset, the Ld. AR submitted that no show cause notice was served for the addition of ₹10,52,222/- by the Assessing Officer (hereinafter referred to as Ld. 'AO') nor is there any mention of issue of any such notice by the Ld. AO while the hearing was conducted from 18.09.2018 to 15.11.2019. The Ld. AR has filed a paper book and it was requested by him that the matter may be remanded to the Ld. AO as the principles of natural justice were violated and the assessee has sufficient evidence for the relief claimed. The Ld. DR relied upon the order of the Ld. CIT(A) and requested that the same may be upheld.

6. We have considered the facts of the case, the submissions made and the documents filed. In the interest of justice and fair play it was considered that were more opportunity may be provided to the assessee to explain the source of cash deposit and the request of the assessee to set aside the case before the Ld. AO may be allowed so that a proper opportunity of being heard may be provided. Hence, after examining the facts of the case, we deem it appropriate to set aside the order of the Ld. CIT(A) and remit the matter back to the Ld. AO for making the reassessment *de novo*. Needless to say, the assessee shall be given a reasonable opportunity of being heard to make any further submission



it wants to make in support of its grounds of appeal and shall not seek unnecessary adjournments. Accordingly, all the grounds taken by the assessee in his appeal are allowed for statistical purposes.

7. In the result, the appeal filed by the assessee is partly allowed for statistical purposes.

Order pronounced in the open Court on 29th January, 2026.

Sd/-

[George Mathan]
Judicial Member

Sd/-

[Rakesh Mishra]
Accountant Member

Dated: 29.01.2026

Bidhan (Sr. P.S.)



Copy of the order forwarded to:

1. **M/s. Starburst Motors Pvt. Ltd., 242/1, Bijoy Nagar, Gate No.2, Sodepur Road, Madhyamgram, Barasat, Kolkata, West Bengal, 700129.**
2. **D.C.I.T., Circle-14(2), Kolkata.**
3. CIT(A)-NFAC, Delhi.
4. CIT-
5. CIT(DR), Kolkata Benches, Kolkata.
6. Guard File.

// True copy //

By order

Assistant Registrar
ITAT, Kolkata Benches
Kolkata