

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़  
IN THE INCOME TAX APPELLATE TRIBUNAL  
CHANDIGARH BENCH, 'SMC', CHANDIGARH

**BEFORE SHRI A.D. JAIN, VICE PRESIDENT &  
SHRI KRINWANT SAHAY, ACCOUNTANT MEMBER**

आयकर अपील सं./ ITA No. **770/CHD/2023**

निर्धारण वर्ष / Assessment Year : 2017-18

Varun Kumar Jain, Prop. Varun Jewellers, Near Kesho Ram Halwai, Aapo Application Street, Nabha	Vs. बनाम	The ITO, Ward, Nabha
स्थायी लेखा सं./PAN No: AFUPJ3948R		
अपीलार्थी/ APPELLANT		प्रत्यर्थी/ RESPONDENT

( PHYSICAL HEARING )

निर्धारिती की ओर से/Assessee by : Shri N. K. Sahi, Advocate

राजस्व की ओर से/ Revenue by : Shri Dharam Vir , JCIT, Sr. DR

सुनवाई की तारीख/Date of Hearing : 06.08.2024

उदघोषणा की तारीख/Date of Pronouncement : 30.10.2024

**आदेश/Order**

**Per Krinwant Sahay, A.M.:**

The appeal in this case has been filed by the Assessee against the order dated 20.11.2023 of the Id. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi.

2. Grounds of appeal taken by the Assessee are as under: -

1. *That the ld. Commissioner of Income Tax (Appeal) has confirmed the assessment made by the Ld. Income Tax Officer u/s 144 of Income Tax Act, 1961 on the ground that the return of income was filed by the appellant beyond the period stipulated in the notice u/s 142(1) dated 08.03.2018 whereas the return was filed within the time extended through adjournments.*
2. *The learned Commissioner of Income-tax (Appeal) has erred in confirming the addition of cash deposits of Rs. 12,34,000/- under section 69A of the Income Tax Act, 1961 whereas the cash deposits are sale proceeds of business run by the appellant.*
3. *The learned Income Tax Officer is not justified in charging total income of Rs.2,98,080/- declared by the appellant in his return of income to tax under section 115BBE of the Income Tax Act, 1961 on the ground that Income Tax Return was not filed within the stipulated period.*
4. *During the first appellate proceedings, the appellant raised an additional ground of appeal regarding non-issuance of statutory notice u/s 143(2) of the Income Tax Act, 1961 by the Income Tax Officer before finalizing the assessment proceedings, however, neither the ITO offered any comments during remand proceedings nor the Ld. CIT (A) adjudicated upon the issue.*
5. *The appellant craves leave to add or amend any ground of appeal before it is finally heard.*

3. Brief facts of the case, as per the CIT(A) are that as that the Assessee is an individual and he did not file his return of income for the A.Y. 2017-18 despite making cash deposits in his bank account during the demonetization period. The Assessing Officer issued notices u/s 142(1) of the Income Tax Act, 1961 (in short 'the Act') requesting the Assessee to file return of income but he Assessee did not file any return of income in response to notices issued by the Assessing Officer. During the assessment proceedings, the Assessing Officer provided many opportunities to the Assessee to explain the nature and source of deposits made during the demonization period, however, the Assessee did not gave any satisfactory explanation during the assessment proceedings. Therefore, the A.O. completed the assessment u/s 144 of the Act making an addition of Rs. 12,34,000/- as unexplained money u/s 69A of the Act and Rs. 2,98,080/- was further added as per computation of income filed by the Assessee.

4. During the proceedings before the Tribunal, the Counsel of the Assessee has filed as written submissions wherein, it has been mentioned that the Assessee is a small trader running his business in the name and style of M/s Varun Jewellery. He did not file his return

of income voluntarily within time specified u/s 139(1) of the Income Tax Act. The A.O. issued notice u/s 142(1) of the Act dated 8.2.2018 asking the Assessee to file his return. Another notice was issued on 12.3.2018 asking the Assessee to file his Income tax return on or before 31.3.2018 but the Assessee did not file return in response to such notices and when the assessment proceeding were going on after the lapse of more than half year on 23.09.2019, the Assessee filed its return of income.

5. At the very outset, the ld. DR pointed out that the return filed by the Assessee on 23.9.2019 was barred by limitation because for F.Y. 2016-17, the last date of filing of the return was on 31.3.2018 but despite notices issued by the Assessing Officer, the Assessee did not file any income tax return before that date. Therefore, the written submissions filed by the Assessee on 23.9.2019 may not be taken for these proceedings. The Counsel of the Assessee accepted that the written submission was not filed in time despite notices received from the A.O., therefore, the return filed on 23.89.2019 was an invalid return.

6. We have considered the findings given by the Assessing Officer in the assessment order and by the Id. CIT(A) in the appellate order and we have also considered the written submissions as well as the arguments of the Counsel of the Assessee during the proceeding before us. We have heard the arguments of the Id. DR also. We find that as already discussed above, since the return filed by the Assessee was an invalid return, therefore, the appeal filed by the Assessee is dismissed on this Ground.

7. We are not giving findings on other grounds of appeal as the very basis of the appeal, the return of income was a invalid one Accordingly, the Assessee's appeal is dismissed.

8. In the result, the appeal is dismissed.

Order pronounced on 30.10.2024.

**Sd/-**  
**( A. D. JAIN )**  
**Vice President**

**Sd/-**  
**( KRINWANT SAHAY )**  
**Accountant Member**

“आर.के.”

आदेश की प्रतिलिपि अग्रेषित / Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT

4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT,  
CHANDIGARH
5. गार्ड फाईल/ Guard File

आदेशानुसार/ By order,  
सहायक पंजीकार/ Assistant Registrar