(B.2) The present appeal has been filed by the assessee against the aforesaid impugned appellate order dated 24.12.2024 of the Ld. CIT(A). In the course of appellate proceedings in Income Tax Appellate Tribunal ("ITAT", for short), a paper book containing the following particulars was filed assessee's side: -

PAPER-BOOK

Sl. No.	CONTENTS	PAGE No.
1.	Copy of Acknowledgment of Return with Statement of Total Income for the Assessment Year 2014-15.	01
2.	Copy of Tax Audit Report dated 03.09.2014 u/s. 44AB of the I. T. Act, 1961.	02 - 10
3.	Copy of Audited Balance Sheet, and Profit & Loss Account with relevant Schedules for the Year ending on 31.03.2014.	11 – 32
4.	Copy of notice u/s 142(1) from dated 22.11.2021 along with reply submitted dated 18.01.2022	33 – 36
5.	Copy of notice u/s 142(1) from dated 20.12.2021 along with reply submitted dated 18.01.2022	37- 41
6.	Copy of notice u/s 142(1) from dated 03.01.2022 along with reply submitted dated 06.01.2022	42 - 45
7.	Copy of notice u/s 142(1) from dated 03.01.2022 along with reply submitted dated 07.01.2022	
8.	(i) Copy of Notice u/s 143(2) dated 10.03.2022 (ii) Copy of Reply dated 23.03.2022 (iii) Copy of Purchases Invoice sample basis (iv) Copy of credit sale invoice submitted during Assessment Proceeding vide reply dated 10.03.2022	46 – 55 ~~56 – 61~~ 62 – 82 83 - 101
9.	(i) Copy of Show cause notice u/s 147 dated 24.03.2022 (ii) Copy of Reply dated 28.03.2022 (iii) Copy of Cash sale ledger dated 01.04.2013 to 31.03.2014	106 – 112 ~~113 – 329~~ 330 – 341

	(iv) Copy of sale fabric ledger from 01.04.2013 to 31.03.2014 (v) Copy of sale return ledger from 01.04.2013 to 31.03.2014 (vi) Copy of sale invoice on sample basis from 01.04.2013 to 31.03.2014 (vii) Copy of purchases ledger along with invoices from 01.04.2013 to 31.03.2014 (viii) Copy of purchases return ledger from 01.04.2013 to 31.03.2014 (ix) Copy of sundry creditors ledger from 01.04.2013 to 31.03.2014 submitted during Assessment Proceeding vide reply dated 24.03.2022	342 343 – 366 367 – 372 373 – 393 394 395 - 418
10.	Copy of Appeal order dated 30.03.2022 passed by Commissioner of Income tax (Appeals) National Faceless Appeal Centre (NFAC) Delhi u/s. 250 of the I. T. Act, 1961.	419 - 437
11.	Copy of Assessment order u/s 147 r.w.s 144B of the I. T. Act, 1961dated 30.03.2022 passed Income Tax Department National Faceless Assessment Centre Delhi.	438 - 447
12.	Copy of regular Assessment order dated 13.12.2015 passed Deputy Commissioner of Income Tax Circle-1 u/s. 143(3) of the I. T. Act, 1961.	448 - 452
13.	Copy of Statement of Fact and Grounds of Appeal furnished before the Commissioner of Income (Appeals)	453 - 461
14.	Copy of Written Submissions Furnished Commissioner of Income Tax (Appeals) Income Department National Faceless Appeal Center (NFAC) Delhi dated 23.11.2024	462 - 469

(C) At the time of hearing, the Ld. Authorized Representative for assessee withdraw ground no. 4 of appeal. Therefore, ground no. 4 of appeal is dismissed as withdrawn by the appellant assessee.

(C.1) As regards the, addition of the aforesaid amount of Rs.17,15,56,550/-, the Ld. AR for the assessee drew our attention to the contents of ground nos. 1, 2 and 3 of appeal. He also drew our attention to the statement of facts filed along with assessee's appeal in Form no. 36, for the ease of reference the same is reproduced below: -

STATEMENTOF FACT

01. That, the appellant is a Company duly incorporated under the Companies Act, 1956 vide Incorporation No. U17291UP2011PTC044984 of 2011 and its registration number is 44984 having registered address at C.K. 23/40, Lakhi Choutra, Chowk, Varanasi - 221001 (U.P.) with the Registrar of Companies, U.P., Kanpur. The company was incorporated with the main objects amongst others, of carrying on the Retail and Wholesale business of trading in Raw Silks and Fabric etc. The appellant company is being regularly assessed to Income Tax since its inception and the books of account as well as the trading results reflected therein have been accepted all along in the past.

02. That, the appellant had maintained all the relevant books of account which are required to be maintained in the regular course of business e.g., Cash Book, Ledger, Journal, Bank Book, Bills and vouchers pertaining to Purchases, Sales and Expenses. It is pertinent to note that the appellant is regularly audited by an independent auditor and even during the relevant financial year the audit of appellant company has been concluded without any adverse remarks.

03. That, there was no change in the method of accounting employed consistently since the inception of the Company and all prescribed accounting standards have been adhered to in prescribed manner. Similarly, there was no change in the method of valuation of closing stock, consistently followed by the appellant. The books of accounts for the relevant year are duly supported by relevant bills and vouchers and a copy of Income Tax Return Acknowledgment along with Computation of Total Income, Audit Report and Balance Sheet and Profit & Loss account with all relevant Schedules for A.Y. 2014-15 were submitted before the Assessing Officer during the assessment proceedings also.

04. That, the following addition has been made during the reassessment proceedings :-

Sl. No.	Particulars	Amount (Rs.)
01.	Addition u/s. 68 on account of alleged Unexplained Cash Credit	17,15,56,550.00
	Total	**17,15,56,550.00**

Addition u/s. 68 on account of alleged Unexplained Cash Credit – Rs.17,15,56,550.00

05. That, the Assessing Officer has erred on facts and in law in making a huge addition of Rs. 17,15,56,550.00 (Rupees Seventeen Crore Fifteen Lakhs Fifty Six Thousand Five Hundred and Fifty only) u/s.68 of Income Tax Act, 1961 on account of Unexplained Cash Credit without appreciating the correct facts and circumstances of the case and the submissions made by the appellant. The correct facts relating to the alleged Unexplained Cash Credits are as follows :-

(a) That, before going into the details of the assessment order it is pertinent to understand the nature of work and modus operandi of the appellant company which is carrying on the Retail and Wholesale business of trading in Raw Silks and Fabrics like Tussar, Chiffon, Orgenza, Kataan, Dupian etc.

(b) The appellant company purchases the items from various suppliers making payment for such purchases through bank cheques and sells the said items for which payments have been received through cash or in bank. The said cash is deposited into the bank account of the appellant to pay for subsequent purchases. A major portion of the appellant's sales are made to small weavers who use the raw materials to make Sarees, Dupatta and other dress materials etc. It is pertinent to note that these weavers mostly belongs to the remote and undeveloped regions near Varanasi and are uneducated and having no bank accounts. Owing to the above facts transaction of business from them are mainly done through cash leading to a major portion of sale proceeds of appellant company coming in Cash. This methodology has been followed consistently by the appellant even in the past without any adverse finding on this account.

(c) That, the case of the appellant company for Assessment Year 2014-15 itself had already been selected for scrutiny wherein detailed examination of books of account of the appellant were carried out and assessment was completed and the returned total income of Rs.15,41,020.00 was accepted. A copy of said order passed on 13.12.2015 by Deputy Commissioner of Income Tax, Circle – 1, Varanasi, accepting the returned income of the appellant was submitted before the Assessing Officer during the reassessment proceedings also. It is hard to comprehend that huge cash credits to the tune of Rs. 17,15,56,550.00 would have totally escaped the lens of the Assessing Officer making the original assessment. The impugned order, making a phenomenally high addition has been passed, based merely on conjectures and surmise by totally disregarding the basic facts of the case, nature of business of the appellant, past history of the appellant and the submissions made by the appellant during the course of reassessment proceedings also. That, looking at the nature of business done by the appellant company, it is most respectfully submitted that a major portion of the appellant's sales are made to small weavers who use the raw materials to make Sarees, Dupatta and other Dress Materials etc. It is pertinent to note that these weavers mostly belongs to the remote and undeveloped regions near Varanasi and therefore, transaction of business from them are mainly done through cash leading to a major portion of sale proceeds of the appellant company coming in Cash. However, the appellant company had deposited the cash against the sale proceeds for making payment to the creditors, hence the same should not treated as escapement of income and no adverse inference may be drawn in the case of the appellant company.

(d) That, regarding details of alleged unexplained cash credit amounting to Rs.17,15,56,550.00, it is most respectfully submitted that the appellant company had made a total deposit of Rs. 17,27,80,500.00 against the total Sale Proceeds of Rs. 27,29,32,931.23 during the relevant financial year. That, a detailed chart showing break up of total turnover is given below :-

Sl. No.	Particulars	Amount (Rounded Off)
01.	Cash Sale	17,28,96,462.00
02.	Credit Sale (Out of this sale Cash amounting to Rs.18,22,990.00 has been received and rest of the amount of Rs.9,85,22,711.00 has been realized in bank after reducing Sale Return of Rs.3,09,235.00 as shown below)	10,03,45,701.00
03.	Less : Sale Return	(3,09,233.00)
Net Total of Revenue from operation as per Audited Profit & Loss Account		**27,29,32,931.00**

That, a copy of Sales Registers showing Cash Sales, Credit Sales and Sales Returns separately as above was submitted before the Assessing Officer during the reassessment proceedings also.

(e) That, the above additions deserves to be quashed looking at the above facts and the same are summarized as follows –

(i) That, scrutiny assessment of appellant had already been concluded after examination of books of account of appellant without any adverse remarks, by completing assessment accepting the income returned by the appellant;

(ii) That, the amount of Rs. 17,15,56,550.00 was the proceeds from cash sales made by the appellant which was already part of the turnover of the appellant and the same income being already disclosed in Trading and Profit and Loss Account of the appellant cannot be treated as "Income that has escaped assessment". It is pertinent to note that all supporting evidence related to such cash sales including a copy of Sales Registers showing Cash Sales, Credit Sales and Sales Returns separately along with copy of Cash Book, Summary of Cash Sales and Sales Invoice on sample basis were already submitted during the assessment proceedings. The assessing officer while choosing to disregard the submissions of the appellant has made a huge addition merely on the basis of conjectures and surmises.

(iii) That, the appellant has been reiterating the fact that the cash credit in bank account of appellant of Rs.17,15,56,550.00 pertains to sale proceeds in cash and has submitted supporting evidence in this regards therefore, treating the same as "Unexplained Cash Credits" and proposing to add it to the income of the appellant u/s. 68 of the Income Tax Act, 1961 is bad on facts and in law and goes against the very spirit of law, equity and justice.

06. Furthermore, looking at above facts and circumstances of the case, penalty proceedings initiated u/s. 274 r.w.s. 271(1)(c) on account of addition on alleged unexplained cash credit in case of the appellant needs to be dropped.

SHIVAM SILKFAB. Pvt.Ltd.
DIRECTOR
for APPELLANT

(C.2) He also drew our attention to the statement of facts and the grounds of appeal furnished before the Ld. CIT(A), which is reproduced below, for the ease of reference: -

01. BECAUSE, Assessing Officer has erred on facts and in law in wrongly making a huge addition of Rs. 17,15,56,550.00 (Rupees Seventeen Crore Fifteen Lakhs Fifty Six Thousand Five Hundred and Fifty only) u/s. 68 of Income Tax Act, 1961 on account of Unexplained Cash Credit without properly appreciating the correct facts and circumstances of the case and the submissions made by the appellant based merely on conjectures and surmise.

02. BECAUSE, the Assessing Officer has erred on facts and in law in reopening the case on grounds of "*Unexplained Cash Credit*" to the tune of Rs. 17,15,56,550.00 totally disregarding the fact that the said transactions had been duly scrutinized during assessment proceedings itself for the relevant year without any adverse findings on this account.

03. BECAUSE, the Assessing Officer has erred on facts and in law in wrongly initiating penalty u/s. 274 r.w.s. 271(1)(c) of the Income Tax Act, 1961 without properly appreciating the correct facts and circumstances of the case and the submissions made by the appellant.

04. BECAUSE, the Assessing Officer has erred on facts and in law in wrongly initiating Interest u/s. 234A, 234B and 234C of the Income Tax Act, 1961 without properly appreciating the correct facts and circumstances of the case and the submissions made by the appellant.

05. BECAUSE, the order is bad both on facts and in law and is not maintainable.

06. BECAUSE, the appellant craves leave to put forward further Grounds of Appeal and / or amend / alter the same before or at the time of hearing.

SHIVAM SILKFAB. Pvt.Ltd.

STATEMENT OF FACT

01. That, the appellant is a Company duly incorporated under the Companies Act, 1956 vide Incorporation No. U17291UP2011PTC044984 of 2011 and its registration number is 44984 having registered address at C.K. 23/40, Lakhi Choutra, Chowk, Varanasi - 221001 (U.P.) with the Registrar of Companies, U.P., Kanpur. The company was incorporated with the main objects amongst others, of carrying on the Retail and Wholesale business of trading in Raw Silks and Fabric etc. The appellant company is being regularly assessed to Income Tax since its inception and the books of account as well as the trading results reflected therein have been accepted all along in the past.

02. That, the appellant had maintained all the relevant books of account which are required to be maintained in the regular course of business e.g., Cash Book, Ledger, Journal, Bank Book, Bills and vouchers pertaining to Purchases, Sales and Expenses. It is pertinent to note that the appellant is regularly audited by an independent auditor and even during the relevant financial year the audit of appellant company has been concluded without any adverse remarks.

03. That, there was no change in the method of accounting employed consistently since the inception of the Company and all prescribed accounting standards have been adhered to in prescribed manner. Similarly, there was no change in the method of valuation of closing stock, consistently followed by the appellant. The books of accounts for the relevant year are duly supported by relevant bills and vouchers and a copy of Income Tax Return Acknowledgment along with Computation of Total Income, Audit Report and Balance Sheet and Profit & Loss account with all relevant Schedules for A.Y. 2014-15 were submitted before the Assessing Officer during the assessment proceedings also.

04. That, the following addition has been made during the reassessment proceedings :-

Sl. No.	Particulars	Amount (Rs.)
01.	Addition u/s. 68 on account of alleged Unexplained Cash Credit	17,15,56,550.00
	Total	**17,15,56,550.00**

Addition u/s. 68 on account of alleged Unexplained Cash Credit – Rs.17,15,56,550.00

05. That, the Assessing Officer has erred on facts and in law in making a huge addition of Rs. 17,15,56,550.00 (Rupees Seventeen Crore Fifteen Lakhs Fifty Six Thousand Five Hundred and Fifty only) u/s.68 of Income Tax Act, 1961 on account of Unexplained Cash Credit without appreciating the correct facts and circumstances of the case and the submissions made by the appellant. The correct facts relating to the alleged Unexplained Cash Credits are as follows :-

(a) That, before going into the details of the assessment order it is pertinent to understand the nature of work and modus operandi of the appellant company which is carrying on the Retail and Wholesale business of trading in Raw Silks and Fabrics like Tussar, Chiffon, Orgenza, Kataan, Dupian etc.

(b) The appellant company purchases the items from various suppliers making payment for such purchases through bank cheques and sells the said items for which payments have been received through cash or in bank. The said cash is deposited into the bank account of the appellant to pay for subsequent purchases. A major portion of the appellant's sales are made to small weavers who use the raw materials to make Sarees, Dupatta and other dress materials etc. It is pertinent to note that these weavers mostly belongs to the remote and undeveloped regions near Varanasi and are uneducated and having no bank accounts. Owing to the above facts transaction of business from them are mainly done through cash leading to a major portion of sale proceeds of appellant company coming in Cash. This methodology has been followed consistently by the appellant even in the past without any adverse finding on this account.

(c) That, the case of the appellant company for Assessment Year 2014-15 itself had already been selected for scrutiny wherein detailed examination of books of account of the appellant were carried out and assessment was completed and the returned total income of Rs.15,41,020.00 was accepted. A copy of said order passed on 13.12.2015 by Deputy Commissioner of Income Tax, Circle – 1, Varanasi, accepting the returned income of the appellant was submitted before the Assessing Officer during the reassessment proceedings also. It is hard to comprehend that huge cash credits to the tune of Rs. 17,15,56,550.00 would have totally escaped the lens of the Assessing Officer making the original assessment. The impugned order, making a phenomenally high addition has been passed, based merely on conjectures and surmise by totally disregarding the basic facts of the case, nature of business of the appellant, past history of the appellant and the submissions made by the appellant during the course of reassessment proceedings also. That, looking at the nature of business done by the appellant company, it is most respectfully submitted that a major portion of the appellant's sales are made to small weavers who use the raw materials to make Sarees, Dupatta and other Dress Materials etc. It is pertinent to note that these weavers mostly belongs to the remote and undeveloped regions near Varanasi and therefore, transaction of business from them are mainly done through cash leading to a major portion of sale proceeds of the appellant company coming in Cash. However, the appellant company had deposited the cash against the sale proceeds for making payment to the creditors, hence the same should not treated as escapement of income and no adverse inference may be drawn in the case of the appellant company.

(d) That, regarding details of alleged unexplained cash credit amounting to Rs.17,15,56,550.00, it is most respectfully submitted that the appellant company had made a total deposit of Rs. 17,27,80,500.00 against the total Sale Proceeds of Rs. 27,29,32,931.23 during the relevant financial year. That, a detailed chart showing break up of total turnover is given below :-

Sl. No.	Particulars	Amount (Rounded Off)
01.	Cash Sale	17,28,96,462.00
02.	Credit Sale (Out of this sale Cash amounting to Rs.18,22,990.00 has been received and rest of the amount of Rs.9,85,22,711.00 has been realized in bank after reducing Sale Return of Rs.3,09,235.00 as shown below)	10,03,45,701.00
03.	Less : Sale Return	(3,09,233.00)
Net Total of Revenue from operation as per Audited Profit & Loss Account		**27,29,32,931.00**

That, a copy of Sales Registers showing Cash Sales, Credit Sales and Sales Returns separately as above was submitted before the Assessing Officer during the reassessment proceedings also.

(e) That, the above additions deserves to be quashed looking at the above facts and the same are summarized as follows –

(i) That, scrutiny assessment of appellant had already been concluded after examination of books of account of appellant without any adverse remarks, by completing assessment accepting the income returned by the appellant;

(ii) That, the amount of Rs. 17,15,56,550.00 was the proceeds from cash sales made by the appellant which was already part of the turnover of the appellant and the same income being already disclosed in Trading and Profit and Loss Account of the appellant cannot be treated as "Income that has escaped assessment". It is pertinent to note that all supporting evidence related to such cash sales including a copy of Sales Registers showing Cash Sales, Credit Sales and Sales Returns separately along with copy of Cash Book, Summary of Cash Sales and Sales Invoice on sample basis were already submitted during the assessment proceedings. The assessing officer while choosing to disregard the submissions of the appellant has made a huge addition merely on the basis of conjectures and surmises.

(iii) That, the appellant has been reiterating the fact that the cash credit in bank account of appellant of Rs.17,15,56,550.00 pertains to sale proceeds in cash and has submitted supporting evidence in this regards therefore, treating the same as "Unexplained Cash Credits" and proposing to add it to the income of the appellant u/s. 68 of the Income Tax Act, 1961 is bad on facts and in law and goes against the very spirit of law, equity and justice.

06. Furthermore, looking at above facts and circumstances of the case, penalty proceedings initiated u/s. 274 r.w.s. 271(1)(c) on account of addition on alleged unexplained cash credit in case of the appellant needs to be dropped.

SHIVAM SILKFAB. Pvt.Ltd.
DIRECTOR
for APPELLANT

(C.2.1) He further drew our attention to the written submissions furnished before the Ld. CIT(A) during appellate proceedings before the Ld. CIT(A). The same is reproduced below, for the ease of reference: -

1. **ANTECEDENT**

1.1 That, the appellant is a Company duly incorporated under the Companies Act, 1956 vide Incorporation No. U17291UP2011PTC044984 of 2011 and its registration number is 44984 having registered address at C.K. 23/40, Lakhi Choutra, Chowk, Varanasi - 221001 (U.P.) with the Registrar of Companies, U.P., Kanpur. The company was incorporated with the main objects amongst others, of carrying on the Retail and Wholesale

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business of trading in Raw Silks and Fabric etc. The appellant company is being regularly assessed to Income Tax since its inception and the books of account as well as the trading results reflected therein have been accepted all along in the past.

1.2 That, the appellant had maintained all the relevant books of account which are required to be maintained in the regular course of business e.g., Cash Book, Ledger, Journal, Bank Book, Bills and vouchers pertaining to Purchases, Sales and Expenses. It is pertinent to note that the appellant is regularly audited by an independent auditor and even during the relevant financial year the audit of appellant company has been concluded without any adverse remarks.

1.3 That, there was no change in the method of accounting employed consistently since the inception of the Company and all prescribed accounting standards have been adhered to in prescribed manner. Similarly, there was no change in the method of valuation of closing stock, consistently followed by the appellant. The books of accounts for the relevant year are duly supported by relevant bills and vouchers and a copy of Income Tax Return Acknowledgment along with Computation of Total Income, Audit Report and Balance Sheet and Profit & Loss account with all relevant Schedules for A.Y. 2014-15 were submitted before the Assessing Officer during the assessment proceedings and the same are being enclosed herewith for your kind perusal and verification. **(Annexure – 1)**

2. That, the following addition has been made during the reassessment proceedings: -

Sl. No.	Particulars	Amount (Rs.)
01.	Addition u/s. 68 on account of alleged Unexplained Cash Credit	17,15,56,550.00
	Total	**17,15,56,550.00**

Addition u/s. 68 on account of alleged Unexplained Cash Credit – Rs.17,15,56,550.00

3. That, the Assessing Officer has erred on facts and in law in making a huge addition of Rs. 17,15,56,550.00 (Rupees Seventeen Crore Fifteen Lakhs Fifty-Six Thousand Five Hundred and Fifty only) u/s.68 of Income Tax Act, 1961 on account of Unexplained Cash Credit without appreciating the correct facts and circumstances of the case and the submissions made by the appellant. The correct facts relating to the alleged Unexplained Cash Credits are as follows: -

(a) That, before going into the details of the assessment order it is pertinent to understand the nature of work and modus operandi of the appellant company which is carrying on the Retail and Wholesale business of trading in Raw Silks and Fabrics like Tussar, Chiffon, Orgenza, Kataan, Dupian etc.

(b) The appellant company purchases the items from various suppliers making payment for such purchases through bank cheques and sells the said items for which payments have been received through cash or in bank. The said cash is deposited into the bank account of the appellant to pay for subsequent purchases. A major portion of the appellant's sales are made to small weavers who use the raw materials to make Sarees, Dupatta and other dress materials etc. It is pertinent to note that these weavers mostly belong to the remote and undeveloped regions near Varanasi and are uneducated and having no bank accounts. Owing to the above facts transaction of business from them are mainly done through cash leading to a major portion of sale proceeds of appellant company coming in Cash. This methodology has been followed consistently by the appellant even in the past without any adverse finding on this account.

(c) That, the case of the appellant company for Assessment Year 2014-15 itself had already been selected for physical scrutiny wherein detailed examination of books of account of the appellant were carried out and assessment was completed and the returned total income of Rs.15,41,020.00 was accepted. A copy of said order passed on 13.12.2015 by Deputy Commissioner of Income Tax, Circle – 1, Varanasi, accepting the returned income of the appellant was submitted before the Assessing Officer / National Faceless Assessment Center during the reassessment proceedings and copy of the is being enclosed herewith for your kind perusal and verification. (Annexure - 2). It is hard to comprehend that huge cash credits to the tune of Rs. 17,15,56,550.00 would have totally escaped the lens of the Assessing Officer making the original assessment. The impugned order, making a phenomenally high addition has been passed, based merely on conjectures and surmise by totally disregarding the basic facts of the case, nature of business of the appellant, past history of the appellant and the submissions made by the appellant during the course of reassessment proceedings also. That, looking at the nature of business done by the appellant company, it is most respectfully submitted that a major portion of the appellant's sales are made to small weavers who use the raw materials to make Sarees, Dupatta and other Dress Materials etc. It is pertinent to note that these weavers mostly belongs to the remote and undeveloped regions near Varanasi and therefore, transaction of business from them are mainly done through cash leading to a major portion of sale proceeds of the appellant company coming in Cash. However, the appellant company had deposited the cash against the sale proceeds for making payment to the creditors, hence the same should not treated as escapement of income and no adverse inference may be drawn in the case of the appellant company.

(d) That, regarding details of alleged unexplained cash credit amounting to Rs.17,15,56,550.00, it is most respectfully submitted that the appellant company had made a total deposit of Rs. 17,27,80,500.00 against the total Sale Proceeds of Rs. 27,29,32,931.23 during the relevant financial year. That, a detailed chart showing break up of total turnover is given below: -

Sl. No.	Particulars	Amount (Rounded Off)
01.	Cash Sale	17,28,96,462.00
02.	Credit Sale (Out of this sale Cash amounting to Rs.18,22,990.00 has been received and rest of the amount of Rs.9,85,22,711.00 has been realized in bank after reducing Sale Return of Rs.3,09,235.00 as shown below)	10,03,45,701.00
03.	Less: Sale Return	(3,09,233.00)
Net Total of Revenue from operation as per Audited Profit & Loss Account		**27,29,32,931.00**

That, a copy of Sales Registers showing Cash Sales, Credit Sales and Sales Returns separately as above was submitted before the Assessing Officer during the reassessment proceedings and copy of the is being enclosed herewith for your kind perusal and verification. **(Annexure - 3)**

(e) That, the above additions deserve to be quashed looking at the above facts and the same are summarized as follows –

(i) **That, scrutiny assessment of appellant had already been concluded after examination of books of account of appellant without any adverse remarks, by completing assessment accepting the income returned by the appellant, the Assessing Officer has chosen to ignore the Assessment Order;**

(ii) That, the amount of Rs. 17,15,56,550.00 was the proceeds from cash sales made by the appellant which was already part of the turnover of the appellant and the same income being already disclosed in Trading and Profit and Loss Account of the appellant cannot be treated as" Income that has escaped assessment". It is pertinent to note that all supporting evidence related to such cash sales including a copy of Sales Registers showing Cash Sales, Credit Sales and Sales Returns separately along with copy of Cash Book, Summary of Cash Sales and Sales Invoice on sample basis were already submitted during the assessment proceedings. The assessing officer while choosing to disregard the submissions of the appellant has made a huge addition merely on the basis of conjectures and surmises.

(iii) That, the appellant has been reiterating the fact that the cash credit in bank account of appellant of Rs.17,15,56,550.00 pertains to sale proceeds in cash and has submitted supporting evidence in this regards therefore, treating the same as "Unexplained Cash Credits" and proposing to add it to the income of the appellant u/s. 68 of the Income Tax Act, 1961 is bad on facts and in law and goes against the very spirit of law, equity and justice.

(iv) **Furthermore, the Assessing Officer has not given any specific finding supporting his claim that cash deposited is unexplained nor has he given a specific finding in support of his claim that cash deposited was not from business receipts. That, nowhere has the assessing officer given any evidence or has been able to deny the fact that the assessee during the relevant financial year have engaged in the business as claimed by the assessee.**

4. That, looking at the above facts it is clear that addition u/s. 68 made by Assessing on account of alleged Unexplained Cash Credit without properly appreciating the facts and circumstances of the case is erroneous and order of the Assessing Officer to be quashed in the interest of justice.

It is hoped that the information submitted will do the needful. However, the need be of any other information / explanation, the pleasure will be ours to comply with the same after listening to from your good self.

(C.2.3) At the time of hearing, the Ld. AR for the assessee also took us through submissions made during the assessment proceedings vide letters dated 18.01.2022, 06.01.2022, 07.01.2022, 23.03.2022 and 28.03.2022. These are included in the paper book referred to in foregoing paragraph (B.2) at SI. Nos.4, 5, 6, 7, 8 and 9 of the paper books.

(C.2.4) In his submissions made at the time of hearing, the Ld. AR for the assessee also took us through the contents of the paper book, which included sample copies of purchase invoices, credit sale invoices, cash sale ledger, sale fabric ledger, sale return ledger, sale invoices, purchase ledger, purchase return ledger, sundry creditor ledger, etc. He also drew our