

Even before the Tribunal, the assessee filed the appeal with a delay of 99 days. Ld.Counsel for the assessee has taken the same argument before this Tribunal also. He submitted that in case of retail liquor business, this Tribunal has been directing the AO to estimate Net Profit @ 3% of the cost of goods put to sale and that the assessee offered Net income at 2.37% of the goods sold whereas the AO estimated it at 5%. Therefore, he prayed for condonation of delay both before ITAT and before the CIT(A) and to estimate income at 3% as the matter is covered in favour of the assessee.

4. Ld.DR however, opposed grant of any relief to asseeee.

5. Having regard to rival contentions and material placed on record, I find that in similar cases this Tribunal has been directing the AO to estimate the profit at 3% of the cost of goods put to sale, as reasonable net profit. In view of the same, I am of the opinion that the issue is covered in favour of the assessee on merits itself. Therefore, I condone the delay both before the CIT(A) as well as before the Tribunal, and direct the AO to estimate net profit at 3% of the cost of goods put to sale.

6. In the result, assessee's appeal is allowed.

Order pronounced in Open Court on 07th November, 2019.

(P MADHAVI DEVI)
JUDICIAL MEMBER

Dated: the 07th November, 2019.

G.M.V.

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4. Pr.CIT, Kurnool.
4. D.R. ITAT Hyderabad
5. Guard File

// C o p y //

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4.	Draft approved by second Member	
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