

आयकर अपीलिय अधिकरण, 'ए' न्यायपीठ, चेन्नई
IN THE INCOME-TAX APPELLATE TRIBUNAL 'A' BENCH, CHENNAI
श्री धुव्वुरु आर.एल रेड्डी, न्यायिक सदस्य एवं श्री जी. मंजुनाथा, लेखा सदस्य के समक्ष
Before Shri Duvvuru RL Reddy, Judicial Member &
Shri G. Manjunatha, Accountant Member

आयकर अपील सं./I.T.A. No. 3432/Chny/2019
निर्धारण वर्ष/**Assessment Year: 2013-14**

Smt. Balasubramanian Manju,
No. 18, Kannan Street, Kadaperi
Village, Tambaram Sanitorium (Behind
GRT Jewellery), Chennai 600 044.
[PAN:ALBPM0301L]

The Assistant Commissioner of
Income Tax,
Non Corporate Circle 9(1),
Chennai.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri S. Sridhar, Advocate
प्रत्यर्थी की ओर से/Respondent by : Shri AR.V. Sreenivasan, Addl. CIT
सुनवाई की तारीख/ Date of hearing : 21.10.2021
घोषणा की तारीख /Date of Pronouncement : 27.10.2021

आदेश /O R D E R

PER DUVVURU RL REDDY, JUDICIAL MEMBER:

This appeal filed by the assessee is directed against the order of the Id. Principal Commissioner of Income Tax (Appeals), Chennai dated 11.11.2019 relevant to the assessment year 2013-14. Besides challenging the issue of estimating the business income on the gross receipts, on merits, by raising specific grounds, the assessee has also challenged the exparte order passed by the Id. CIT(A).

2. Brief facts of the case are that the assessee filed her return of income for the assessment year 2013-14 on 01.10.2013 declaring total income of

Rs.24,48,620/-. The return of income was processed under section 143(1) of the Income Tax Act, 1961 ["Act" in short]. The case was selected for scrutiny and notice under section 143(2) of the Act dated 04.09.2014 was and duly served on 13.09.2014. In response to the above notice, the assessee's husband Shri A.P. Ravi filed power dated 23.09.2014. Subsequently, as there was a change incumbency, letter/notice under section 143(2) r.w.s. 129 of the Act was issued and the same was served on the assessee on 12.05.2015. In response to the issue of notices under section 142(1) of the Act on various dates, the assessee failed to appear or furnish the details called for.

3. As per records, the assessee was running several businesses in the name of Mon Rex Container Lines, Rex International, Rex Construction Leader and M.R. Garden (Ladies Hostel) and the total gross receipts out of the above businesses are ₹.11,65,15,459/- against which the assessee claimed expenses of ₹.11,46,41,519/-. However, since the assessee failed to produce the books of accounts or other documents in support of the expenses debited to profit and loss account, the Assessing Officer estimated the net profit at 8% and concluded the assessment under section 144 of the Act by determining the net profit at ₹.93,21,237/- as against the net profit admitted by the assessee of ₹.18,73,940/- and assessed the total taxable income at ₹.98,95,917/-. On appeal, the Id. CIT(A) dismissed the appeal filed by the assessee for want of prosecution.

4. On being aggrieved, the assessee is in appeal before the Tribunal. The Id. Counsel for the assessee vehemently argued that the Id. CIT(A) should have adjudicated the grounds raised in the appeal on merits and prayed for one more opportunity of being heard to the assessee for furnishing all details.

5. Per contra, the Id. DR has submitted that the assessee has not produced any accounts or any details and has not produced her defence or given any information and thereby the Id. CIT(A) rightly dismissed the appeal of the assessee.

6. We have heard both the sides, perused the materials available on record and gone through the orders of authorities below. In this case, the assessee has not at all turned up against services of various notices and therefore, the Assessing Officer completed the best judgement assessment under section 144 of the Act with the available details. Even before the Id. CIT(A), it is evident from the appellate order that the assessee has not produced any accounts or any details as may be required to adjudicate the grounds raised appeal, on merits, despite affording various opportunities to the assessee. It is clearly evident from the orders of authorities below that the assessee has not at all cooperated with the department by producing books of accounts and other relevant documents. The assessee may be prevented by reasonable cause for non-appearance or not furnishing the details before the Assessing Officer. But, the assessment is time-bound and cannot wait for the assessee to furnish the details leisurely as she may wish. What prevented the assessee to produce the accounts or details

in support of the claim of expenses before the Id. CIT(A) was not brought on record. Since the Id. Counsel for the assessee has prayed for affording one more opportunity for furnishing the details and to meet the ends of natural justice, we are of the opinion that the assessee may be granted one more opportunity for producing complete details along with supporting documents. Accordingly, we set aside the appellate order and remit the matter back to the file of the Assessing Officer to adjudicate the issue afresh after examining the details as may be furnished by the assessee. The assessee is also directed to furnish complete details for assessment, failing which, the assessment already completed under section 144 of the Act and the appellate order of the Id. CIT(A) stand sustained.

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

Order pronounced on the 27th October, 2021 in Chennai.

Sd/-
(G. MANJUNATHA)
ACCOUNTANT MEMBER

Sd/-
(DUVVURU RL REDDY)
JUDICIAL MEMBER

Chennai, Dated, 27.10.2021

Vm/-

आदेश की प्रतिलिपि अग्रेषित/Copy to: 1. अपीलार्थी/Appellant, 2. प्रत्यर्थी/ Respondent, 3. आयकर आयुक्त (अपील)/CIT(A), 4. आयकर आयुक्त/CIT, 5. विभागीय प्रतिनिधि/DR & 6. गार्ड फाईल/GF.