

**IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCHES "A" : HYDERABAD
(THROUGH VIDEO CONFERENCE)**

**BEFORE SHRI S.S.GODARA, JUDICIAL MEMBER
AND
SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER**

I.T.A. No.1110/HYD/2019

Assessment Year: 2014-15

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| Prasad Gampa, HYDERABAD [PAN: AENPG5841E] | Vs | Income Tax Officer, Ward-9(4), HYDERABAD |
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(Appellant)

(Respondent)

For Assessee : NONE

For Revenue : Smt.N.Swapna, DR

Date of Hearing : 06-09-2021

Date of Pronouncement : 16-11-2021

ORDER

PER S.S.GODARA, J.M. :

This assessee's appeal for AY.2014-15 arises from the CIT(A)-7, Hyderabad's order dated 24-07-2018 passed in case No.0336 / CIT(A)-7 / 2016-17, involving proceedings u/s.144 of the Income Tax Act, 1961 [in short, 'the Act'].

Case called twice. None appeared for the assessee's behest. It is accordingly proceeded *ex-parte*.

2. It transpires at the outset that this assessee's instant appeal suffers from 282 days delay stated to be attributable to the reason(s) beyond his control as per condonation petition/affidavit. No rebuttal has come from the departmental side. The impugned delay is condoned therefore.

3. We advert to the assessee's sole substantive grievance challenging correctness of the CIT(A)'s action partly reversing the assessment findings making un-explained cash credits addition of Rs.64,92,305/- as under:

"4.2. I have considered the submissions of the appellant and findings of the Assessing Officer in the order carefully. The Assessing Officer treated the entire deposits made in the bank account as unexplained and added under the head 'income from other sources' on the ground that the appellant did not furnish the names and complete address of the parties from whom purchases are made and also to whom the sales are made. In the course of appellate proceedings, though the appellant listed few names of the parties without any address no supporting evidence was furnished like confirmation / vouchers indicating the existence of the transactions taken place. The appellant furnished the' copy of the license granted to assessee in carrying out trading of rice under the name of M/s.Rama Food Grains. Invoices dated 23-4-2014, 25-6-2014, 7-10-2014 and 16-10-2014 given by different parties were furnished before undersigned in order to prove the claim of carrying out trading in rice etc. These invoices fall in subsequent year. The appellant did not furnish confirmations atleast in few cases in order to prove carrying out trading of rice in the current year inspite of specific request made by the undersigned. On perusal of the bank statement, I find that several transactions were shown as returned. Therefore, the appellant's claim of doubling of the transactions in the bank account to the tune of Rs.6,15,855/- needs to be given due weightage. Hence, the Assessing Officer is directed to reduce an amount of Rs.6,15,855/- from the gross receipts. However, the peak credit balance in the bank transactions on 06-04-2013 stands at Rs.3,40,455/-. The source of the same was not explained by the appellant. Looking to the entries made in the bank account, I am of the view that the net profit at the rate of 10% of the entire credits in the bank account can be reasonably estimated and would suffice the end of justice in addition to the unexplained capital of Rs.3,40,455/-. Therefore, the Assessing Officer is directed to make recomputation of income excluding the returned cheques of Rs.6,15,855/- and making separate addition of Rs.3,40,455/- and estimating the net profit at the rate of 10% on the balance deposits. The grounds raised by the appellant are partly allowed".

4. It is sufficiently clear from a perusal of the above extracted lower appellate detailed discussion that the CIT(A)

inter alia has considered all the relevant facts, the assessee's food grains business which directing the Assessing Officer to exclude the returned cheques of Rs.6,15,855/- and making separate addition of Rs.3,40,455/- followed by net profit estimation @10% on balance deposits respectively. We therefore find no reason to reverse the lower appellate findings in issue. The same stand upheld therefore.

5. This assessee's appeal is dismissed in above terms.

Order pronounced in the open court on 16th November, 2021

Sd/-

(LAXMI PRASAD SAHU)
ACCOUNTANT MEMBER

Hyderabad,
Dated: 16-11-2021

TNMM

Sd/-

(S.S.GODARA)
JUDICIAL MEMBER

Copy to :

1.Sri Prasad Gampa, C/o. V.Madhusudhan Phani, Chartered Accountants, 6-2-27, 27A, 28, New Down Town Mall, Lakdikapool, Hyderabad.

2.The ITO, Ward-9(4), Hyderabad.

3.CIT(Appeals)-7, Hyderabad.

4.Pr.CIT-7, Hyderabad.

5.D.R. ITAT, Hyderabad.

6.Guard File.