

**IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCHES "SMC", HYDERABAD
(THROUGH VIDEO CONFERENCE)**

BEFORE SHRI S.S.GODARA, JUDICIAL MEMBER

I.T.A. No.398/HYD/2021

Assessment Year: 2017-18

Sri Narsimha Gardas, Choutuppal [PAN: ARVPG0557A]	Vs	Income Tax Officer, Ward-1, Suryapaet
(Appellant)		(Respondent)

For Assessee : Shri A.Srinivas, AR
For Revenue : Shri A.Venkata Rao, Sr.DR

Date of Hearing : 25-01-2022
Date of Pronouncement : 28-01-2022

ORDER

This assessee's appeal for AY.2017-18 arises from the National Faceless Appeal Centre (NFAC), Delhi's order dated 15-09-2021 passed in DIN & Order No.ITBA/NFAC/S/250/2021-22/1035592290(1), involving proceedings u/s.144 of the Income Tax Act, 1961 [in short, 'the Act'].

Heard both the parties. Case file perused.

2. The assessee's sole substantive grievance pleaded in the instant appeal challenges correctness of both the lower authorities' action estimating 8% profit element in running of medical and general stores. It is thus clear that there is not much a serious dispute between the parties regarding

turnover figure as the addition in issue before me is Rs.7,35,612/- only.

3. Learned departmental representative vehemently contended that both the lower authorities have rightly adopted 8% profit on assessee's turnover. He fails to dispute the clinching fact that the assessee's profit rate in the immediate preceding assessment year had been accepted @3.90% only.

4. Faced with this situation and more so when both the learned lower authorities have nowhere justified the impugned profit estimation @8% estimation by quoting the relevant comparables or historic trends, I deem it appropriate to restrict the same at a lumpsum rate of 4% only with a rider that the same shall not be treated as a precedent. The assessee gets part relief in very terms. Necessary computation shall follow as per law.

No other ground has been pressed during the course of hearing.

5. This assessee's appeal is partly allowed in above terms.

Order pronounced in the open court on 28th January, 2022

Sd/-
(S.S.GODARA)
JUDICIAL MEMBER

Hyderabad,
Dated: 28-01-2022

Copy to :

1. Sri Narsimha Gardas, H.No.3-32/8, Choutuppal Village & Mdl, Choutuppal.

2. The Income Tax Officer, Ward-1, Suryapet.

3. CIT(A), NFAC-Delhi.

4. D.R. ITAT, Hyderabad.

5. Guard File.