

IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCH "B", PUNE

BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER
AND
SHRI VINAY BHAMORE, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.176/PUN/2024
Assessment Year 2017-18

Sunil Yashwant Patil, A/P. Yelavi, Taluka Tasgaon, Dist. Sangli – 416319 Maharashtra PAN : AYZPP0011F	Vs.	ACIT, Circle Sangli
Appellant		Respondent

Assessee by : None
Revenue by : Shri A.K. Mahala
Date of hearing : 22.04.2024
Date of pronouncement : 22.04.2024

आदेश / ORDER

PER INTURI RAMA RAO, AM:

This is an appeal filed by the assessee directed against the order of CIT(A) in National Faceless Appeal Centre, Delhi dated 29.11.2023 u/s.250 of the Income Tax Act, 1961 ('the Act') for the Assessment Year 2017-18.

2. When the appeal was called on, none appeared on behalf of the appellant despite due service of notice of hearing. After hearing the Id. DR and perusing the material on record, we proceed to dispose of the appeal *ex parte* qua the appellant.

3. Briefly, the facts of the case are that the appellant is a Medical Practitioner. Return of income for the A.Y. 2017-18 was filed on 31.03.2018 declaring total income of Rs.58,10,500/-. The case was selected under Computer-assisted Scrutiny Selection (CASS) for examination of 'Large payments made u/s.194C to persons who have not filed return of income'. On perusal of Form No.3CD, the Assessing Officer (AO) noticed that the appellant made payment to contractors amounting to Rs.3,18,84,300/- and deducted TDS of Rs.3,18,843/- u/s.194C of the Act. The appellant did not either respond to statutory notice u/s.143(2) or notice u/s.142(1). On failure of the appellant to comply with the statutory notices and justify the genuineness of the contract expenses made, the AO completed the assessment u/s.144 of the Act disallowing the contract expenses of Rs.3,18,84,300/-.

4. Against the above assessment order, an appeal was filed before the NFAC, who vide impugned order dismissed the appeal of the appellant for non-prosecution without dwelling into the reasoning adopted by the AO.

5. Being aggrieved by the order of NFAC, the appellant is in appeal before the Tribunal.

6. Heard the ld. DR and carefully perused the relevant material on record. We find the NFAC had proceeded to dispose of appeal without discussing the factual background of the addition made by the Assessing Officer and as well as without referring to the legal position applicable to the facts of the case, in our considered opinion the approach adopted by the NFAC does not exhibit that the NFAC had applied mind to the facts of the present case and arrived at a conclusion. Therefore, it cannot be termed that the order passed by the NFAC is on merits. Thus, the order passed by the NFAC is hereby set-aside and remanded to the file of the CIT(A)/NFAC with a direction that the issue in appeal should be adjudicated *de novo* in accordance with law after affording reasonable opportunity of being heard to the assessee. Accordingly, the grounds of appeal filed by the assessee stand partly allowed.

7. In the result, the appeal of the assessee stands partly allowed for statistical purposes.

Order pronounced on this 22nd day of April, 2024.

Sd/-
(VINAY BHAMORE)
JUDICIAL MEMBER

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

पुणे / Pune; दिनांक / Dated : 22nd April, 2024
Satish

आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr.CIT concerned
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "B" बेंच,
पुणे / DR, ITAT, "B" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Senior Private Secretary
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune