

**INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "F": NEW DELHI
BEFORE SHRI G.S. PANNU, VICE PRESIDENT
AND
SHRI ANUBHAV SHARMA, JUDICIAL MEMBER**

**ITA No. 4160/Del/2011
(Assessment Year: 2007-08)**

Rajesh Kumar Prop, Shiv Shakti Trading Co, Shop No. 10, New Grain Market, Indri, Karnal (Appellant)	Vs. ITO, Ward-4, Karnal (Respondent)
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PAN: ADNPK5057H

Assessee by :	None
Revenue by:	Shri Vivek Vardhan, Sr. DR

Date of Hearing	27/03/2024
Date of pronouncement	25/06/2024

ORDER

PER ANUBHAV SHARMA, J. M.:

1. The appeal has been preferred by the Assessee against the order dated 16.06.2011 of Ld Commissioner of Income Tax (Appeals)-, Karnal (hereinafter referred as Ld. First Appellate Authority or in short Ld. 'FAA') in appeal No. IT/120/KNL/CIT(A)/KNL/2009-10 arising out of an appeal before it against the order dated 21.12.2009 u/s 143(3) of the Income Tax Act, 1961 (hereinafter referred as 'the Act') passed by the Id. Assessing Officer, ITO, Ward-4, Karnal (hereinafter referred as the Ld. AO).

2. As the case called up for hearing, none appeared for the assessee and the records shows that notices have been issued repeatedly. Record further shows that earlier the appeals was dismissed by order dated 15.11.2011 for none appearance of the assessee and subsequently by order dated 06.10.2016 the ex parte order dated 15.11.2011 was recalled and at the time of recalling, the bench

directed the registry to fix the matter for hearing on 19.10.2016 with specific observation that there shall be no separate notice to the parties. In the light of the aforesaid no further opportunity is justified and arguments by the Id DR were heard which supported the findings of the Tax Authorities below.

3. The return of the assessee was taken up for scrutiny and as there was no response from the assessee to the notices issued u/s 143(2)/142(1) of the Act the Id AO proceeded to conclude the assessment as per the provision of Section 144 of the Act and examined the business income reported by the assessee and applied net profit ratio @12% to make the addition which is confirmed by the Id CIT(A) to the extent of 8%. Against this the assessee is in appeal.

4. The Id AO had called for vouchers and confirmation in respect of salary and wages, rent, consumption of stores, spare parts and other expenses details were sought, interest paid on which TDS was deducted but assessee had failed to prove the same and thus, the net profit shows by the assessee @1.28% on net contract receipt of Rs. 1,57,39,675/- was assessed at net profit ratio 12%. It appears before the Id CIT(A) also no further evidence were filed. The Id CIT(A) observed that merely computer generated books were filed which were not verifiable by vouchers etc. The Id AO had issued notices u/s 133(6) and also deputed Inspector of Income Tax for verification but the suppliers etc were not verified. The Id CIT(A) after taking into consideration the judgment of Hon'ble Punjab and Haryana High Court in the case CIT Vs. Prabhat Kumar Contractor order dated 14.11.2008 in ITA 293/2008 as relied upon by the Id AR before the Id CIT(A), the Id CIT(A) has directed that income tax of the assessee be estimated @8% as against 12% estimated by the Id AO. There is no change in the factual aspect before us and they are appeared to be no error in the findings of the Id CIT(A) to sustained the order of the Id AO.

5. Accordingly, the appeal of the assessee is dismissed.

Order pronounced in the open court on 25/06/2024.

-Sd/-
(G.S. PANNU)
VICE PRESIDENT

-Sd/-
(ANUBHAV SHARMA)
JUDICIAL MEMBER

Dated:25/06/2024
A K Keot

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1. Applicant
2. Respondent
3. CIT
4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR
ITAT, New Delhi