

**IN THE INCOME TAX APPELLATE TRIBUNAL
“A” BENCH, AHMEDABAD**

**BEFORE SHRI SIDDHARTHA NAUTIYAL, JUDICIAL MEMBER
& SHRI MAKARAND V. MAHADEOKAR, ACCOUNTANT MEMBER**

I.T.A. No.384/Ahd/2024
(Assessment Year: 2013-14)

M/s.Amizara Exports Pvt. Ltd., 108, Panchratna Shopping Centre, Amir Road, Palanpur, Palanpur-385001	Vs.	Assistant Commissioner of Income Tax, Banaskantha Circle (Present Jurisdiction) Deputy Commissioner of Income Tax, Circle Gandhinagar, Sector-11 Gandhinagar-382011
[PAN No.AAGCA1230M]		
(Appellant)	..	(Respondent)

Appellant by :	None
Respondent by:	Shri Rignesh K Das, Sr. DR

Date of Hearing	12.09.2024
Date of Pronouncement	23.09.2024

ORDER

PER SIDDHARTHA NAUTIYAL - JUDICIAL MEMBER:

The appeal filed by the Assessee is against the order passed by the Ld. Commissioner of Income Tax (Appeals), (in short “Ld. CIT(A)”), National Faceless Appeal Centre (in short “NFAC”), Delhi vide order dated 04.01.2024 passed for Assessment Year 2013-14.

2. The Assessee has taken the following grounds of appeal:

“1. The ld. CIT-A has upheld the action of the ld. AO in making the addition amounting to Rs.59,34,050/- to the total income of the appellant.

2. The ld. CIT-A has upheld the action of the ld.AO in making the addition during the course of assessment proceedings and has confirmed the addition of Rs.83,166/- to the total income of the appellant.

3. *The ld. CIT-A has upheld the action of the ld.AO in making the addition on estimation basis by estimating 20% of the certain expenses amounting to Rs.35,16,364/- and thereby has made addition of Rs.7,03,273/- to the total income of the appellant.*

4. *The ld. CIT-A has upheld the action of the ld.AO in making the addition on estimation basis by estimating 20% of the purchases amounting to Rs.2,45,42,389/- and thereby has made addition of Rs.49,08,478/- to the total income of the appellant.*

5. *The CIT-A has upheld the action of the ld.AO in making the addition amounting to Rs.2,39,130/- on account of contract receipts.*

6. *The assessment order passed by the ld.AO is bad in law and is against the principles of natural justice. The ld.AO without giving appellant, an opportunity to submit evidences has added the said income to the appellant on estimation basis.*

7. *The ld. AO has erred in law and on facts of the case in levying interest u/s. 234A/B/C of the Act.*

8. *The learned ld. AO has erred in law and on facts of the case in initiating penalty u/s 271(1)(c) of the Act.*

The appellant craves leave to add, amend, alter, edit, delete, modify or change all or any of the grounds of appeal at the time of or before the hearing of the appeal.”

3. The assessee is engaged in the business of job work activity of cutting / polishing of marble and granite. During the course of assessment, the Assessing Officer observed that the assessee had received interest income of Rs. 83,166/- from UGVCL. However, in the return of income, no interest income has been shown by the assessee. The assessee was issued various notices, however, the assessee did not comply with any of the notices and accordingly, the Assessing Officer added a sum of Rs. 83,166/- as income of the assessee. Further, the Assessing Officer observed that in the P&L Account, the assessee claimed expenses under different heads such as salary and wages, finance cost, direct expenses and indirect expenses, totaling to Rs. 35,16,364/-. The Assessing Officer was issued several notices asking the assessee to give details of all expenses claimed in the P&L Account and also to produce all books of accounts, bills, vouchers etc. However, the assessee did not comply

with the notices and in absence of any details, bills, vouchers, supporting evidence etc., the Assessing Officer disallowed 20% of the expenses amounting to Rs. 7,03,273/- and added the same to the income of the assessee. Further, the Assessing Officer observed that the assessee had made purchase of Rs. 2,45,42,389/- which had been debited by the assessee to the P&L Account. The assessee was asked to give details of purchases claimed in the P&L Account. However, in absence of any compliance to various notices issued by the Assessing Officer and in absence of any details, vouchers, details, supporting evidences etc. the Assessing Officer held that the purchases could not be verified and hence the Assessing Officer disallowed 20% of the total purchases amounting to Rs. 49,08,478/- and added the same to the total income of the assessee.

4. In appeal, Ld. CIT(A) issued as many as eleven notices of hearing to the assessee, which are tabulated below for ready reference:

<i>S. No.</i>	<i>Date of notice</i>	<i>Date of compliance</i>	<i>Remarks</i>
1	23.12.2019	31.12.2019	No response
2	01.01.2020	06.01.2020	No response
3	01.01.2020	21.01.2020	No response
4	24.01.2020	10.02.2020	No response
5	12.02.2020	24.02.2020	No response
6	27.02.2020	11.03.2020	No response
7	13.03.2020	24.03.2020	No response
8	22.01.2021	08.02.2021	No response
9	06.02.2021	22.02.2021	No response
10	12.07.2023	19.07.2023	No response
11	04.08.2023	11.08.2023	No response

5. However, the assessee did not comply with any of the notices issued by the Ld. CIT(A). The Ld. CIT(A) observed that the assessee had furnished a written submission on 11.12.2018, furnishing additional evidences. Accordingly, the Ld. CIT(A) asked the Assessing Officer to submit the remand

report, the Assessing Officer stated that from the conduct of the assessee, it is seen that the assessee intentionally avoided furnishing the details called for by the Assessing Officer. The assessee was given several notices of hearing and there was no reasonable cause which prevented the assessee from submitting the required details before the Assessing Officer. Accordingly, the Assessing Officer requested that additional evidences furnished by the assessee in appellate proceedings should not be entertained. Even in the appellate proceedings, the assessee has not responded to any of the notices issued by the Ld. CIT(A). Accordingly, in view of the above, Ld. CIT(A) dismissed the appeal of the assessee with the following observations:-

*“6.3 From the above report, it is clear that the appellant has not made any reasons, coherent enough, to substantiate that he was prevented from sufficient reasons to furnish the complete details before the Assessing Officer. Details filed by the appellant in his submission, reveals that the accounts were maintained in computerized accounting software. To extract those ledgers do not require the old accountant to be present. It is also noteworthy that after more than two years from filing the appeal, the appellant has submitted those details before CIT(Appeals). Even when the matter was remanded to the Assessing Officer to verify those details, the appellant did not respond to the notices/letters issued by the Assessing Officer. During the appellate proceedings also, the appellant did not make a single submission during the entire faceless proceedings. Based on the above facts, **additional evidences submitted by the appellant is held to be non-admissible at this stage.**”*

*6.4 As noted from the facts of the case and material available on record, it is seen that the Assessing Officer made the above additions, based on materials available on record, after according proper and adequate opportunity to the appellant and after marshalling the facts. The appellant did not produce any evidence in support of his claim or made any response against the various notices issued from time to time during the entire appellate proceedings. Hence, it is held that the assessment order passed by the Assessing Officer u/s 144 of the Act, resulting into the assessed income amounting to Rs.59,34,047/-, based on his findings and proper adjudication, is quite in order, and the same is hereby confirmed. Accordingly, **Grounds of appeal of the appellant are dismissed.**”*

6. Before us, the case was fixed for hearing on 27.06.2024, 01.08.2024 and again on 12.09.2024. However, the assessee has not caused any appearance

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before us on various dates of hearing. Further, no request for adjournment has been sought by the assessee before us. We observe that one of the notices issued by the ITAT was returned with remarks “no such person in the address”. Accordingly, we are of the considered view that the assessee is not at all interested in pursuing the matter before us. Further, even we observe that the assessee had remained totally non-compliant before the Assessing Officer as well before Ld. CIT(A), despite having been provided several opportunities of hearing. Accordingly, looking into the instant facts and the non-compliant attitude of the assessee, we are of the considered view that Ld. CIT(A) has not erred in facts and in law in confirming the additions in the hands of the assessee. Even before us, the assessee has not cause appearance and nor furnished any documents in respect of it’s grounds of appeal.

7. In the result, the appeal of the assessee is dismissed.

This Order pronounced in Open Court on	23/09/2024
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Sd/-
(MAKARAND V. MAHADEOKAR)
ACCOUNTANT MEMBER

Ahmedabad; Dated 23/09/2024

TANMAY, Sr. PS

TRUE COPY

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

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त(अपील) / The CIT(A)-
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, अहमदाबाद / DR, ITAT, Ahmedabad
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt.Registrar)
आयकर अपीलीय अधिकरण, अहमदाबाद / ITAT, Ahmedabad