

आयकर अपीलीय अधिकरण, हैदराबाद पीठ में  
**IN THE INCOME TAX APPELLATE TRIBUNAL  
HYDERABAD BENCHES “B”, HYDERABAD**

**BEFORE**

**SHRI LALIET KUMAR, JUDICIAL MEMBER  
AND  
SHRI MADHUSUDAN SAWDIA, ACCOUNTANT MEMBER**

ITA No.1158/Hyd/2024		
Assessment Year: 2014-15		
Kuna Shravan Kumar Goud, Hyderabad.  PAN : ANOPK6058P.  (Appellant)	Vs.	The Income Tax Officer, Ward – 10(1), Hyderabad.   (Respondent)
Assessee by:	None	
Revenue by:	Shri Madan Mohan Meena, Sr.DR.	
Date of hearing:	31.12.2024	
Date of pronouncement:	31.12.2024	

**ORDER**

**PER LALIET KUMAR, J.M:**

This appeal is filed by the assessee feeling aggrieved by the order passed by the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi dated 30.09.2024 for the AY 2014-15.

2. The brief facts of the case are that the assessee is an individual, filed his return of income for AY 2014-15 declaring Rs. 15,94,270/-. The case was selected for scrutiny under CASS, and notices were issued under sections 143(2) and 142(1) of the Act. Despite multiple opportunities and notices, the assessee failed to comply, produce books of accounts, sale bills, or expenditure vouchers. Due to non-compliance and lack of verifiable evidence, the books of account were rejected under section 145 of the Income Tax Act, 1961 and thereafter, the Assessing Officer following jurisdictional ITAT rulings in similar liquor trade cases, estimated the business income at 5% of the cost of goods sold (Rs. 10,96,85,480), resulting in a net profit of Rs. 54,84,274/- and assessed the said amount under the head Income from Business. Finally, the Assessing Officer completed the assessment u/s 144 of the Act, assessing the total tax payable income at Rs.22,30,000/-.

3. Aggrieved with such assessment order, assessee filed an appeal before the LD.CIT(A), who dismissed the appeal of assessee by observing as under :

*“5.1 As noted from the facts of the case and material available on record, the appellant failed to append any submission or supporting documents in favour of his grounds of appeal. The Assessing Officer has made the additions after considering the facts of the case, response of the appellant and after marshalling the facts in details, available on record. There is no material before me to deviate from the order of the Assessing Officer. Therefore, it is held that the order of the Assessing Officer is based on proper examination and consideration of facts. Accordingly, Grounds appeal of the appellant are dismissed.”*

4. Aggrieved with the order of LD.CIT(A), the assessee is now in appeal before us.
5. None appeared on behalf of the assessee.
6. On the other hand, Ld.DR supported the orders of lower authorities.
7. We have heard the rival submissions and perused the material on record. In the present case, Assessing Officer observed that assessee has failed to produce sale bills / expenditure vouchers to substantiate his case by providing all the necessary documents / information / reply, as called for by the Assessing Officer vide notice issued u/s 143(2) and 142(1) of the Act and hence, he completed the assessment as exparte u/s 144 of the Act. On appeal, the LD.CIT(A) also dismissed the appeal of assessee as the contentions of the assessee had remained unverified and unproved due to the absence of requisite documentary evidence and the same is evident from para 5.1 of the order of LD.CIT(A).
8. In light of the above, though, invariably the appeal of the assessee is required to be dismissed on account of non-compliance, however, considering the totality of the facts and circumstances and in the interests of justice, one more opportunity is granted to the assessee to appear and contest the

case before the Assessing Officer. Hence, we remand back the appeal to the file of Assessing Officer for passing fresh order after affording due opportunity of hearing to the assessee in accordance with law subject to payment of costs of Rs.5,000/- (Rupees Five Thousand only) in favour of Prime Minister National Relief Fund which shall be payable within one month or from the date of receipt of this order or whichever is earlier. Further, the assessee is directed to appear before the Assessing Officer on the date of hearing fixed by the Assessing Officer and shall file all the documents / evidence in support of his case as called for by the Assessing Officer vide notice u/s 142(1) of the Act dt.02.07.2019 and show cause notice dt.21.10.2016. In case, the assessee failed to file any documents in support of his case, Assessing Officer shall decide the matter in accordance with the law. Accordingly, the appeal of assessee is allowed for statistical purposes.

9. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the Open Court on 31<sup>st</sup> December, 2024.

**Sd/-**

**Sd/-**

<b>(MADHUSUDAN SAWDIA)</b> <b>ACCOUNTANT MEMBER</b>	<b>(LALIET KUMAR)</b> <b>JUDICIAL MEMBER</b>
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Hyderabad, dated 31.12.2024.

***TYNN/sps***

Copy to:

S.No	Addresses
1	Kuna Shravan Kumar Goud, 1-10-243/1, Brahman Wadi, Begumpet, Hyderabad – 016, Telangana.
2	The Income Tax Officer, Ward – 10(1), Hyderabad.
3	Pr.CIT, Hyderabad.
4	DR, ITAT Hyderabad Benches
5	Guard File

*By Order*