

IN THE INCOME TAX APPELLATE TRIBUNAL
NAGPUR "SMC" BENCH : NAGPUR

BEFORE SHRI V. DURGA RAO, JUDICIAL MEMBER

ITA.No.69/NAG./2024 [E-APPEAL]
Assessment Year 2020-2021

KSA Timber Mart, Shop No.104, Krishna Leela Apartment, Lakadganj, NAGPUR. PIN - 440 008. PAN AAMFK2340K Maharashtra.	vs.	The Income Tax Officer, Ward-4(3), BSNL RTTC Bldg., Seminary Hills, NAGPUR - 440 001. Maharashtra.
(Appellant)		(Respondent)

For Assessee :	-None-
For Revenue :	Shri Abhay Y. Marathe, Sr. DR

Date of Hearing :	23.01.2025
Date of Pronouncement :	05.02.2025

ORDER

PER V. DURGA RAO, J.M. :

This appeal has been filed by the Assessee against the order dated 25.10.2023, of the learned CIT(A)-National Faceless Appeal Centre [in short "NFAC"], Delhi, relating to assessment year 2020-2021.

2. At the outset, there is a delay of 47 days in filing the appeal before the Tribunal. The assessee has filed his condonation petition and affidavit explaining the reasons. I

am satisfied with the affidavit filed and the reasons stated therein. I, therefore, condone the delay of 47 days in filing the appeal before the Tribunal.

3. During the course of hearing none appeared for assessee, despite service of notice and listing the appeal on three occasions. I, therefore, proceed to decide the appeal on merits, after hearing the Learned DR

4. Briefly, stated facts of the case are that the assessee a partnership firm and filed its return of income on 15.02.2021 declaring income at Rs.10,88,300/-. The case of the assessee firm was selected for scrutiny under CASS. The Assessing Officer issued statutory notices u/sec.143(2), 142(1) and show cause notice u/sec.144 of the Act. Since there were no response from the side of the assessee, the Assessing Officer estimated the net profit @ 0.3% after examining the gross turnover of the assessee firm right from A.Y. 2017-18 to A.Y.2020-2021 and added the extra profit of Rs.5,63,217 as against the net profit at Rs.10,88,300/-. Similarly, the assessee has sundry creditors at Rs.1,41,16,288/-. Since the assessee failed to furnish

confirmations, genuineness of these creditors, the Assessing Officer made the total sum of Rs.1,41,16,288/- u/sec.68 of the Act to the total income of the assessee and determined the total income of the assessee at Rs.1,57,67,805/- as against the returned income of Rs.10,88,300/- vide ex-parte order dated 05.09.2022 passed u/sec.144 r.w.s.114B of the Act.

5. Aggrieved by the order of the Assessing Officer assessee carried the matter in appeal before the learned CIT(A). Despite issuance of notices u/sec.250 of the Act to the assessee, as there was no response from it's side, the learned CIT(A) confirmed the additions made by the Assessing Officer and dismissed the appeal of the assessee.

6. Aggrieved by the order of the learned CIT(A), the assessee is in appeal before the Tribunal.

7. During the course of hearing, the Learned Counsel for the Assessee submitted that the learned CIT(A) had dismissed the appeal of the assessee of the assessee on the ground of non-prosecution and not decided the appeal on merits. He submitted that the assessee has sufficient

documentary evidences to prove it's case and in the interest of justice one more opportunity may please be provided by remitting the matter in issue back to the file of Assessing Officer so that the Assessing Officer could verify the books of accounts and all transactions of the assessee firm.

8. The Learned DR on the other hand strongly relied on the orders of the lower authorities. He submitted that the assessee was negligent all along in furnishing requisite details as called for by the Assessing Officer and even during the appellate proceedings before the learned CIT(A). Therefore, the learned CIT(A) had confirmed the addition which is just and proper in the instant case. He accordingly submitted that the order of the learned CIT(A) be confirmed.

9. I have heard the arguments of both the sides and perused the material on record. I find that the learned CIT(A) has dismissed the appeal of assessee on the ground non prosecution. The Assessing Officer also passed ex-parte assessment order. In view of the facts and circumstances of the case; in larger interest of justice and considering the submissions of the assessee, I remit the issue back to the file

of Assessing Officer for de novo verification and adjudication of the matter in issues, by providing adequate opportunity of being heard to the assessee. Needless to say, it is for the assessee to plead and prove it's case before the learned Assessing Officer by furnishing and for verification of all the requisite documents as called for in consequential proceedings. I hold and direct accordingly.

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

Order pronounced in the open Court on 05.02.2025.

Sd/-
(V. DURGA RAO)
JUDICIAL MEMBER

Nagpur, Dated 05th February, 2025

VBP/-

Copy to

1.	The appellant
2.	The respondent
3.	The CIT, Nagpur concerned
4.	The D.R. ITAT, Nagpur SMC-Bench, Nagpur
5.	Guard File.

//By Order//

True Copy

Sr. Private Secretary : ITAT : Nagpur Bench
NAGPUR.