

**IN THE INCOME TAX APPELLATE TRIBUNAL,
KOLKATA-PATNA 'e-COURT', KOLKATA
[Hybrid Court Hearing]**

**Before Shri Duvvuru RL Reddy, Vice-President (KZ)
&
Shri Sanjay Awasthi, Accountant Member**

**I.T.A. No. 497/PAT/2024
Assessment Year: 2016-2017
&
I.T.A. No. 498/PAT/2024
Assessment Year: 2017-2018**

***Bihar State Food & Civil Supplies Corporation
Limited,.....Appellant
Khadya Bhawan, Daroga Rai Path,
R Block, Patna-800001, Bihar
[PAN:AACCB0679F]***

-Vs.-

***Income Tax Officer,.....Respondent
Ward-2(1), Patna,
Lok Nayak Bhawan, Patna-800001, Bihar***

Appearances by:

*Shri Sudhanshu Shekhar, A.R., appeared on behalf of the
assessee*

*Shri Ashwani Kr. Singal, JCIT on behalf of Smt. Rinku
Singh CIT, D.R., appeared on behalf of the Revenue*

Date of concluding the hearing: April 29, 2025

Date of pronouncing the order: May 26, 2025

O R D E R

Per Duvvuru RL Reddy, Vice-President (KZ):-

The present appeals bearing ITA Nos. 497/PAT/2024 and
498/PAT/2024 are directed at the instance of assessee against the

orders of Id. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi, both dated 31st May, 2024 passed for Assessment Years 2016-17 and 2017-18 respectively.

2. Brief facts of the case are that the assessee did not file its return of income for AYs. 2016-17 and 2017-18 as per the provisions of section 139 of the Income Tax Act, 1961. As per the information made available on AIMS module of ITBA, the assessee received contractual income of Rs.1,04,58,537/- (AY 2016-17) and Rs.38,31,987/- (for AY. 2017-18), rent of Rs.15,70,120/- (for AY 2016-17) and Rs.27,95,727/- (for AY 2017-18); interest of Rs.25,14,60,205/- during the FY 2015-16 relevant to AY 2016-17 and Rs.17,50,36,164/- (during FY 2017-18 relevant to AY 2018-19). The case of the assessee was reopened u/s 147 of the Act and accordingly notice under section 148 of the Act was issued to the assessee on 30.03.2021 and served upon the assessee. In response to the notice under section 148, the assessee filed its return of income on 18.02.2022, which is pending for verification, accordingly notice under section 143(2) of the Act could not be issued to the assessee. Statutory notice under section 142(1) dated 26.11.2021 along with questionnaire was issued to the assessee requesting it to submit its reply. In response to these notices, the assessee did not provide audit report and its audited books of accounts. Finally, a show-cause notice was issued to the assessee on 25.02.2022 asking the assessee to submit complete details with justification. But no response was received from the side of assessee. Getting no response, the Id. Assessing Officer completed

the assessment under section 144/147 assessing the total taxable income of the assessee at Rs.1,16,30,08,450/- for assessment year 2016-17 and Rs.1,62,55,63,320/- for assessment year 2017-18. On being aggrieved, the assessee preferred appeals before the ld. CIT(Appeals).

3. The ld. CIT(Appeals) has given several opportunities to the assessee to substantiate its claim, but the appellant neither filed the written submission nor represented the case before the ld. CIT(Appeals). Thereafter the ld. CIT(Appeals) dismissed the appeals *ex-parte* bearing ITA Nos. 497/PAT/2024 and 498/PAT/2024 on 31st May, 2024 for Assessment Years 2016-17 and 2017-18 respectively.

4. On being aggrieved, the assessee preferred appeals before the ITAT.

5. At the time of hearing, ld. Counsel for the assessee prayed before the Bench that the impugned orders be set aside and remitted back to the file of ld. CIT(Appeals) for deciding it afresh.

6. At the outset, ld. D.R. brought to my notice that the assessee did not produce the relevant documents as asked by the ld. Assessing Officer during the assessment proceedings. Therefore, the ld. Assessing Officer passed the assessment order assessing the taxable income at Rs.1,16,30,08,450/- for assessment year 2016-17 and Rs.1,62,55,63,320/- for assessment year 2017-18.

Thereafter the assessee preferred appeals before the ld. CIT(Appeals). The ld. CIT(Appeals) has given many opportunities to the assessee and the assessee neither filed written submission nor any evidence before the ld. CIT(Appeals). He further submitted that before the ITAT, the assessee did not substantiate its claim. Therefore, he pleaded to uphold the orders passed by the ld. CIT(Appeals).

7. We have heard the rival contentions and perused the material available on record. Considering the facts and circumstances of the case, we are inclined to set aside the orders passed by the ld. CIT(Appeals) in order to meet the principle of natural justice, and remit the matter back to the file of ld. CIT(Appeals) with a direction to provide one more opportunity of being heard to the assessee. At the same breath, we also hereby caution the assessee to promptly co-operate with the proceedings before the Ld. CIT(Appeals) failing which the Ld. CIT(Appeals) shall be at liberty to pass appropriate order in accordance with law and merits based on the materials available on the record. Thus, the grounds raised by the assessee in both the appeals are allowed for statistical purposes.

8. In the result, both the appeals of the assessee are allowed for statistical purposes.

Sd/-
(Sanjay Awasthi)
Accountant Member

Sd/-
(Duvvuru RL Reddy)
Vice-President (KZ)

Kolkata, the 26th day of May, 2025

*Copies to :(1) Bihar State Food & Civil Supplies
Corporation Limited,
Khadya Bhawan, Daroga Rai Path,
R Block, Patna-800001, Bihar*

*(2) Income Tax Officer,
Ward-2(1), Patna,
Lok Nayak Bhawan, Patna-800001, Bihar*

*(3) Commissioner of Income Tax (Appeals),
National Faceless Appeal Centre (NFAC),
Delhi;*

(4) CIT - ;

(5) The Departmental Representative;

(6) Guard File

TRUE COPY

By order

*Assistant Registrar,
Income Tax Appellate Tribunal,
Kolkata Benches, Kolkata*

Laha/Sr. P.S.