

**IN THE INCOME TAX APPELLATE TRIBUNAL  
BENCH "C-SMC", KOLKATA**  
Before Shri Sanjay Garg, Judicial Member and  
Shri Manish Borad, Accountant Member

<b>आयकर अपील सं.य/ ITA No. 259/Kol/2020 Assessment Year:2014-15</b>		
Sri Mohan Chandra Mondal, Vill- Chandrakona Road, Satbankura, P.S Garhbeta Dist-Paschim Medinipur-721253.	<b>बनाम V/s.</b>	Income Tax Officer Ward-38(3), Midnapore-721101
<b>PAN: ALIPM1145P</b>		
<b>अपीलार्थी /Appellant</b>	..	<b>प्रत्यर्थी /Respondent</b>
<b>अपीलार्थी की ओर से/By Appellant</b>	None	
<b>प्रत्यर्थी की ओर से/By Respondent</b>	Shri Pradip Mandal, Addl. CIT, Ld. DR	
<b>सुनवाई की तारीख/Date of Hearing</b>	05-07-2022	
<b>घोषणा की तारीख/ Date of Pronouncement</b>	13 -07-2022	

**आदेश /O R D E R**

PER MANISH BORAD, AM.

This appeal filed by the assessee pertaining to the A.Y. 2014-15 is directed against the order of Id. Commissioner of Income-tax ( in short hereinafter referred to as the Id. CIT(A), which is arising out of the assessment order dt. 13-12-2016 passed u/s. 144 of the Income-tax Act, 1961 ( hereinafter referred to as 'the Act' ) passed by the

Assessing Officer( hereinafter referred to as 'the AO'), ITO, Ward 38(1), Midnapore.

2. At the time of hearing the registry has informed that the present appeal filed by the assessee is time barred by 354 days. The assessee prayed for condonation of the delay. The reasons are placed on record. We, after perusing the same as well as material available on record find merit in the reasonable cause stated by the assessee and the cause of the delay is the illness of the assessee, which prevented him to file the appeal within the statutory time limit and also in the larger interest of justice, condone the delay and admit the appeal for adjudication.

3. When the case was called for none appeared on behalf of the assessee. Perusal of records show that this appeal has been fixed for hearing on number of occasions from 23-06-2020 and onwards. Various notices have been issued including notice issued through Registered Post/AD (RPAD), but the same was returned unserved. Under these circumstances, where it looks that the assessee is not interested to pursuing this appeal, we are left with no option except to proceed/adjudicate the appeal on the basis of material available on records and submissions of the Ld. Departmental Representative.

4. The assessee has raised following grounds of appeals for Assessment Year 2014-15:

1. For that the I.T.O. had completed the assessment U/s 144 was unjustified.
2. For that the I.T.O. was not justified in adding Rs. 4,72,454/- in addition of G. P. rate was not correct.
3. For that the I.T.O. was wrong in disallowing Rs. 87,749/- for interest paid was unjustified.
4. For that the further ground or grounds if any may be placed at the time of hearing with the leave of the Ld. Bench Member.

5. Brief facts of the case are that the assessee is an individual, engaged in the business of trading of cement, road etc. Income of Rs.2,50,910/- declared in the e-return filed on 29-03-2015. The case selected for limited scrutiny through CASS for the reasons “*cash deposited in saving bank account more than the turnover*”. Notice u/s. 143(2) of the Act dt. 09-09-2015 duly served upon the assessee. Various notices u/s. 142(1) of the Act also served, but the assessee did not appear on any of the date/day. Therefore, the Id. AO proceeded to frame the best judgement assessment u/s. 144 of the Act. The Id. AO observed that the assessee declared turnover at Rs. 19,73,155/- whereas in the bank accounts operated by the assessee sum of Rs. 95,65,429/- was deposited. The Id. AO applied net profit @ 8% on the total amount of bank deposits treating it as turnover of assessee and gave benefit of income declared by the assessee and made the addition of Rs. 4,72,454/- for the remaining amount i.e [ Rs. 7,65,234 [ 8% of Rs.95,65,429/-] – 2,92,780/-). The Id. AO has also made addition(s) of Rs.18,377/- for bank interest and Rs.87,749/- for undisclosed income from other sources/interest income, which were not declared in the return of income filed by the assessee. Income assessed at Rs. 8,19,490/-.

6. Aggrieved, the assessee preferred an appeal before the Id. CIT(A) and challenged the said additions made by the Id. AO, but failed to succeed.

7. Now, the assessee is in appeal before this Tribunal.

8. The Ld. Departmental Representative vehemently argued supporting the findings of the lower authorities.

9. We have heard the Ld. Departmental Representative and perused the records placed before us. Through ground no.1 the assessee has challenged that the Id. AO was not justified in framing the assessment u/s. 144 of the Act. We observe that the Id. AO offered sufficient opportunity to the assessee issuing notices u/s. 142(1) and 143(2) of the Act, which were duly served upon the assessee. This fact has not been controverted by the assessee. Under these given circumstances, the Id. AO was justified in framing the best judgment assessment u/s. 144 of the Act. Ground no.1 raised by the assessee is dismissed.

10. Through ground no.2 the assessee has challenged the finding of the Id. CIT(A) confirming the addition of Rs. 4,72,454/- made by the Id. AO @ 8% on the turnover not declared by the assessee. On going through the observations of the Id. AO in the assessment order, we find that the assessee has declared net profit at Rs. 2,92,780/- on turnover of Rs.19,73,155/-. The assessee declared net profit rate @ 14.80% approx. Further, based on the information received by the Id. AO, it was revealed that the assessee was operating 12 bank

accounts and total amount deposited during the year under consideration is Rs. 95,65,429/-. The turnover shown by the assessee is only Rs.19,73,155/- and remaining amount Rs.75,92,274/- is suppressed turnover, not declared by the assessee in the return. We also find that the Id. AO has fairly applied net profit @ 8% on the total amount deposited in the bank accounts at Rs.95,65,429/- treating it as turnover and calculating net profit at Rs. 7,65,234/- and after giving benefit of income of Rs. 2,92,780/- declared by the assessee remaining amount of Rs.4,72,454/- has been added. In our view, this finding of the Id. AO stands rightly confirmed by the Id. CIT(A). We, thus, find no infirmity in finding of the Id. CIT(A). Therefore, ground no. 2 raised by the assessee is dismissed.

11. Ground no. 3 is regarding the addition/disallowance of Rs. 87,749/- on interest income. The assessee could not controvert this fact that Rs.87,749/- was appearing in the interest received by the assessee in 26AS statement on which tax of Rs.9077/- was deposited is not offered for taxation in the I.T return. Therefore, the Id. CIT(A) has rightly confirmed the impugned addition of Rs.87,749/- made by the Id. AO for interest income not disclosed by the assessee. Ground no. 3 raised by the assessee is dismissed.

12. Ground no. 4 is general in nature, which requires no adjudication.

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

Order pronounced in the open court....13/07/2022

Sd/-

(SANJAY GARG)  
JUDICIAL MEMBER  
दनांक /Dated : 13 -07-2022  
\*\*PP/SPS

Sd/-

(MANISH BORAD)  
ACCOUNTANT MEMBER

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

- 1.अपीलार्थी/Appellant/Sri Mohan Chandra Mondal,Vill-  
Chandrakona Road, Satbankura, P.S Garhbeta  
Dist-Paschim Medinipur-721253.
2. प्रत्यर्थी/Respondent/Income Tax Officer, Ward-38(3),  
Midnapore-721101.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त- अपील / CIT (A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण कोलकाता / DR, ITAT,  
Kolkata
6. गार्ड फाइल / Guard file. By order/आदेश से,

/True Copy/

Assistant Registrar  
ITAT, Kolkata