



IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCHES "SMC", PUNE

BEFORE DR.MANISH BORAD, ACCOUNTANT MEMBER
AND SHRI VINAY BHAMORE, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.2073/PUN/2025
Assessment Year : 2019-20

Sachin Ganpat Vadane, At Post Ule, South Solapur, Dist. Solapur – 413002 Maharashtra PAN : ADVPW5788R	Vs.	ITO, Ward-1(1), Solapur
Appellant		Respondent

Appellant by	:	Shri Deepak Gadgil
Respondent by	:	Shri Harshit Bari (Through Virtual)
Date of hearing	:	17.12.2025
Date of pronouncement	:	06.01.2026

आदेश / ORDER

PER DR. MANISH BOARD, ACCOUNTANT MEMBER :

The captioned appeal at the instance of assessee pertaining to A.Y. 2019-20 is directed against the order dated 08.07.2025 framed by National Faceless Appeal Centre, Delhi arising out of Assessment Order dated 02.01.2024 passed u/s.147 r.w.s.144 r.w.s.144B of the Income Tax Act, 1961.

2. Assessee has raised following grounds of appeal :

"1. Learned JAO was not legally correct in proceeding further with the impugned reassessment proceedings as the order passed u/s 148A(d) as well as notice issued u/s 148 by the JAO was without proper jurisdiction.

2. Without prejudice to the above, the approval sought & obtained u/s 151 by the JAO is not in accordance with the law & procedures laid down for the same.

3. Without prejudice to the above, the approval accorded to the proceedings by Hon'ble PCIT is not in accordance with the law & procedures laid down for the same.

4. Without prejudice to the above, the grounds mentioned in the two SCNs issued are totally different from the grounds mentioned while passing the reassessment order

5. The appellant wishes to make a detailed submission on these issues of legality of the case at the time of hearing of the case, which may please be allowed.

6. The Appellant craves leave of Your Honors to add/alter/delete any of the above cited grounds on or before the date of hearing of this appeal.

7. The appellant makes a humble request to please grant a personal hearing on the case.”

3. At the outset, ld. Counsel for the assessee requested for not pressing the legal issues raised in the Ground of appeal No.1 and therefore the same is dismissed as ‘not pressed’.

4. So far as merits of the case are concerned, Ld. Counsel for the assessee submitted that the assessee is a small retail trader of cattle feed and during the year has made purchases of Rs.12,06,959/- from Hindustan Eco Tech Private limited and have sold them with a minimal margin of profit. He submitted that only the profit element may be subjected to addition and not the total amount of purchases as has been made by the ld. Assessing Officer making addition for unexplained expenditure u/s.69C of the Act at Rs.12,06,959/.

5. On the other hand, ld. Departmental Representative supported the order of ld.CIT(A) and also stated that no details have been filed by the assessee for carrying out the business activity.

6. We have heard the rival contentions and perused the record placed before us. We notice that the assessee is an individual and based at village named Ule, South Solapur, District Solapur and has claimed to be an Agriculturist and small trader and has purchased cattle feed during the year. Ld. Assessing Officer based on the information about cash purchases of Rs.12,06,959/- from Hindustan Eco Tech Private limited, issued notice u/s.148 of the Act and due to non-compliance on the part of the assessee best Judgment assessment has been framed and total purchases have been added u/s.69C of the Act and income assessed at Rs.12,06,959/-.

7. We further observe that during the course of appellate proceedings before Id.CIT(A) assessee has made the submissions that he has purchased the goods used for agricultural activity and sold it in small quantities to other persons in the village and that the case of the assessee falls under exception provided under Rule 6DD of the Income Tax Rules, 1962 and that the provisions of section 40A(3) of the Act are not applicable. We further observe that though the assessee did not appear before the Assessing Officer but detailed submissions were filed before CIT(A). We also take note of the Affidavit filed by the assessee on 06.02.2023 where he has stated that he runs a small retail business of purchase and sale of cattle feed since October, 2017 which was ultimately closed in March 2020. It is also stated in the Affidavit that the village having population nor more than 6000 and his daily sales of cattle feed were around Rs.4,000/- to Rs.6000/- and his customers are mainly those who owns Cows and Buffalows and his annual income from business is

stated to be around Rs.1.50 lakh. It is also stated that Hindustan Eco Tech Private Limited has been closed and therefore no information could be collected from the said company.

8. On going through the averments made in the affidavit as well as the contentions made by ld. Counsel for the assessee and there being no other contrary material found against the assessee, we are satisfied that the assessee is indulged into retail business of purchase of sale of cattle feed and only the net profit on the sales turnover of the assessee during the years needs to be added as income. Though specific details of turnover are not available, however, considering the purchases made from Hindustan Eco Tech Private Limited as well as the daily sales stated by the assessee in the affidavit, the turnover of the assessee is estimated at approximately Rs.20.00 lakh per annum and by application of section 44AD of the Act (under presumptive taxation) we adopt net profit @8% on the said turnover and estimate the income of the assessee for the year at Rs.1.60 lakh. We sustain the addition of Rs.1.60 lakh and partly allow the grounds of appeal raised by the assessee on merit.

9. In the result, the appeal filed by the assessee is partly allowed.

Order pronounced on this 06th day of January, 2026.

Sd/-
(VINAY BHAMORE)
JUDICIAL MEMBER

Sd/-
(MANISH BORAD)
ACCOUNTANT MEMBER

पुणे / Pune; दनांक / Dated : 06th January, 2026.
Satisb

आदेश कऱ ितिलिप अ ेऱषत / Copy of the Order forwarded to :

1. अडीलथल / The Appellant.
2. ःयथल / The Respondent.
3. The Pr. CIT concerned.
4. िवडलडड ितलनलध, आडकर अडीलडड अधकरण, "SMC" डडडड, डुणु / DR, ITAT, "SMC" Bench, Pune.
5. डलडड डुडलडड / Guard File.

आदेशलनुसलर / BY ORDER,

// True Copy //

Assistant Registrar,
आडकर अडीलडड अधकरण, डुणु / ITAT, Pune.