



IN THE INCOME TAX APPELLATE TRIBUNAL
"SMC" BENCH, MUMBAI

BEFORE SHRI SAKTIJIT DEY, JUDICIAL MEMBER

ITA no.3433/Mum./2018
(Assessment Year : 2010-11)

Prabhuram V. Prajapati
23/25, L.K. Building
5th Kumbharwada, Mumbai
PAN – AIHPP9884E

..... Appellant

v/s

Income Tax Officer
Ward-19(2)(5), Mumbai

..... Respondent

Assessee by : None
Revenue by : Shri Vivek Anand Ojha

Date of Hearing – 05.03.2019

Date of Order – 20.03.2019

ORDER

Aforesaid appeal has been filed by the assessee challenging the order dated 21st March 2018, passed by the learned Commissioner (Appeals)-30, Mumbai, for the assessment year 2010-11.

2. When the appeal was called for hearing, no one was present for the assessee despite service of hearing notice, which is evident from the postal acknowledgment kept on record. Even, the assessee has also not filed any application seeking adjournment. In view of the

aforesaid, I proceed to dispose of the appeal ex-parte qua the assessee after hearing the learned Departmental Representative.

3. The dispute in the present appeal is confined to the addition of ₹ 9,50,482, on account of non-genuine purchases.

4. Briefly the facts are, the assessee, an individual, is engaged in the business of trading in ferrous and non ferrous metals. For the impugned assessment year, the assessee filed his return of income on 18.09.2010 declaring total income of ₹ 2,52,190. Subsequently, on the basis of information received from the DGIT (Inv.), Mumbai, and the Sales Tax Department, Maharashtra Government, that purchase of ₹ 76,03,863, claimed to have been made by the assessee from nine parties are not genuine, the Assessing Officer re-opened the assessment under section 147 of the Income-tax Act, 1961 (for short "*the Act*"). In the course of assessment proceedings, when the Assessing Officer called upon the assessee to prove the genuineness of the purchases, as alleged by him, barring ledger account copies and payment details, the assessee could not produce delivery challans, lorry receipts, transportation details, etc., to demonstrate actual delivery of goods. Therefore, treating the purchases as non-genuine, the Assessing Officer rejected the books of account under section 145(3) of the Act. However, considering the fact that the assessee recorded the purchases in the books of account and effected the

corresponding sales, the Assessing Officer proceeded to estimate profit at 12.5% of the non-genuine purchases and added back an amount of ₹ 9,50,482 to the income of the assessee. Though, the assessee challenged the aforesaid addition, however, the learned Commissioner (Appeals) sustained the addition made by the Assessing Officer.

5. I have heard the learned Departmental Representative and perused materials on record. It is evident, before the Departmental Authorities the assessee has failed to prove the genuineness of purchases by furnishing credible evidence. In fact, before the learned Commissioner (Appeals), the assessee did not appear at all. Even before me also, the assessee has neither appeared nor produced any evidence to controvert the finding of the Departmental Authorities. In the aforesaid facts and circumstances, I do not find any reason to interfere with the decision of the learned Commissioner (Appeals). Ground is dismissed.

6. In the result, assessee's appeal is dismissed.

Order pronounced in the open Court on 20.03.2019

SD/-
SAKTIJIT DEY
JUDICIAL MEMBER

MUMBAI, DATED: 20.03.2019

Copy of the order forwarded to:

- (1) *The Assessee;*
- (2) *The Revenue;*
- (3) *The CIT(A);*
- (4) *The CIT, Mumbai City concerned;*
- (5) *The DR, ITAT, Mumbai;*
- (6) *Guard file.*

Pradeep J. Chowdhury
Sr. Private Secretary

True Copy
By Order

(Sr. Private Secretary)
ITAT, Mumbai