

IN THE INCOME TAX APPELLATE TRIBUNAL "A"

(Virtual Court Hearing), BENCH KOLKATA

BEFORE SHRI S. S. GODARA, JM & DR. A.L. SAINI, AM

आयकर अपीलसं./I.T.A No.1713/Kol/2019

(निर्धारण वर्ष / Assessment Year: 2011-12)

Bhargab Engineering Works P-292, Benaras Road, Belgachia, P.O:Netajigarh, Howrah-711108.	Vs.	ACIT, Circle-46, Kolkata
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: AAIFB2118G		
(Appellant)	..	(Respondent)

Appellant by : Shri Miraj D. Shah, AR

Respondent by : Shri Dhrubajyoti Roy, JCIT

सुनवाईकीतारीख/ **Date of Hearing** : **08/07/2020**

घोषणाकीतारीख/**Date of Pronouncement** : **22/07/2020**

आदेश / ORDER

Per Shri S. S. Godara:

This assessee's appeal for assessment year 2011-12 arises against the Commissioner of Income Tax (A) - 14, Kolkata dated 07.05.2019 passed in Case No.CIT(A),Kolkata-14/10327/2018-19 involving proceedings u/s 143(3)/147 of the Income Tax Act, 1961(in short 'the Act').

Heard both the parties. Case file perused.

2. It transpires at the outset that the instant lis arising out of the Assessing Officer's reassessment framed on 12.11.2018 thereby disallowing assessee's purchases amount of Rs.45,08,664/- as bogus. The CIT(A) has upheld the impugned disallowance. It is in this backdrop that the assessee has not only challenged validity of the reopening for not recording of its failure in disclosing "fully" and "truly" all particulars of income in view of section 147 1st proviso but also its case on merits is that all of its purchases had been rightly treated as genuine in the first round of scrutiny assessment. Case file suggests that both these grounds have been rendered infructuous since the tribunal's coordinate bench's order in

ITA No.2254/Kol/2014 dated 02.06.2017 relating to the former round of scrutiny assessment has ordered estimation of assessee's net profit (before partners remuneration) at 8% of the total turnover of Rs.1058.91 lacs. That being the case, we hold that the impugned purchases ought not to be disallowed as bogus in the instant second round as a necessary corollary. We therefore accept the assessee's latter substantive grievance on merits and delete the impugned bogus purchase disallowance of Rs.45,08,664/-.

3. Learned counsel is fair enough in not pressing the assessee's grievance challenging validity of the reopening in issue.

4. This assessee's appeal is partly allowed in above terms.

Order is pronounced in the open court on 22.07.2020.

Sd/-
(A. L. Saini)
ACCOUNTANT MEMBER

Sd/-
(S. S. Godara)
JUDICIAL MEMBER

कोलकाता /Kolkata;

दिनांक/ Date: 22/07/2020

RS

आदेशकीप्रतिलिपिअग्रेषित/Copy of the Order forwarded to :

1. The Appellant- Bhargab Engineering Works
2. The Respondent- ACIT, Circle-46, Kolkata
3. आयकरआयुक्त(अपील) / The CIT(A), Kolkata [sent through email]
4. आयकरआयुक्त/ CIT
5. विभागीयप्रतिनिधि, आयकरअपीलीयअधिकरण, कोलकाता/ DR, ITAT, Kolkata [sent through email]
6. गार्डफाईल / Guard file.
सत्यापितप्रति

True Copy

By Order
Assistant Registrar,
I.T.A.T, Kolkata Benches,
Kolkata.