

आयकर अपीलीय अधिकरण “बी” न्यायपीठ पुणे में।
IN THE INCOME TAX APPELLATE TRIBUNAL “B”
BENCH, PUNE

BEFORE SHRI S.S.GODARA, JUDICIAL MEMBER
AND SHRI G.D.PADMASHALI, ACCOUNTANT MEMBER

आयकर अपीलसं. / ITA No.1590/PUN/2019
निर्धारणवर्ष / Assessment Year : 2010-11

Wintek Infotech Pvt. Ltd., S.No. G 4/5, Asha Co-op Societyk, Shukrawar Peth, Pune – 411002. PAN: AAACW 8120 C	Vs .	The DCIT, Circle-1(2), Pune.
Appellant/ Assessee		Respondent /Revenue

Assessee by	Shri Kishor Phadke – AR
Revenue by	Shri Arvind Desai – DR
Date of hearing	18/08/2022
Date of pronouncement	30/08/2022

आदेश/ ORDER

Per S.S.Godara, JM:

This assessee’s appeal for Assessment Year 2010-11 is directed against the Commissioner of Income Tax(Appeals), Pune-8’s order dated 05.08.2019 passed in case no.PN/CIT(A)-8/DCITC Cir-1(2)/202/18-19/188, in proceedings u/s.143(3) r.w.s. 147 of the Income Tax Act, 1961 [in short “the Act”].

Heard both the parties. Case file perused.

2. It emerges at the outset that the assessee’s sole substantive ground raised herein challenges correctness of both the lower authorities action disallowing bogus purchases of Rs.53,84,216/- involving twin suppliers M/s.Siddhi Enterprises and Aradhana

Corporation involving Rs.4316366/- and Rs.1067850/-; respectively on the ground that the department's Investigation Wing had received information from the Maharashtra Sales Tax Department about the foregoing suppliers having indulged in providing such accommodation entries.

3. Mr.Phadke could hardly dispute both the learned lower authorities' respective discussion(s) that the assessee could not even file on record the set twin suppliers ledger accounts, purchase orders, vouchers, transportation bills, octroi receipts, weighing bills, receipt notes, payments and confirmations; as the case may be. Faced with this situation, we find merit in Revenue's arguments supporting the impugned disallowance in principle.

4. Next comes equally important aspect of quantification of the impugned bogus purchases disallowance. Learned DR vehemently argued that we must disallow the entire sum on account of the assessee's failure in filing all the foregoing details. The fact however remains that the Revenue has itself accepted the corresponding increase in stock items as well as sales recorded against the very purchases. Hon'ble jurisdictional high court's decisions in PCIT Vs. Mohammed Haji Adam Khan and Company [2019] 103 taxmann.com 459 (Bom) holds that such bogus purchases could not be allowed in entirety. Faced with this situation, we deem it

appropriate that the impugned bogus purchases of Rs.53,84,216/- deserved to be disallowed only to the extent of the gross profit element embedded therein @ 10% on estimation basis subject to the rider that the same shall not be treated as a precedent. Ordered accordingly. Necessary computation shall follow as per law.

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

Order pronounced in the open Court on 30th August, 2022.

Sd/-
(G.D.PADMASHALI)
ACCOUNTANT MEMBER

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

पुणे / Pune; दिनांक / Dated : 30th Aug, 2022/ SGR*

आदेशकीप्रतिलिपिअग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The CIT(A), concerned.
4. The Pr. CIT, concerned.
5. विभागीयप्रतिनिधि, आयकर अपीलीय अधिकरण, "बी" बेंच, पुणे / DR, ITAT, "B" Bench, Pune.
6. गार्डफ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// TRUE COPY //

Senior Private Secretary
आयकर अपीलीय अधिकरण, पुणे/ITAT, Pune.