



**IN THE INCOME TAX APPELLATE TRIBUNAL,  
CUTTACK 'SMC' BENCH, CUTTACK**

**BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER**

**ITA No.133/CTK/2024**

Assessment Year : 2018-19

Yukon Enterprises Pvt Ltd., C-1, Industrial Estate, Rourkela	Vs.	Income Tax Officer, Ward-1, Rourkela
PAN/GIR No.AADCG 4107 E		
<b>(Appellant)</b>	..	<b>( Respondent)</b>

Assessee by : Shri Amulya Kumar Roy, CA  
Revenue by : Shri S.C.Mohanty, Id Sr DR

**Date of Hearing : 30/07/2024**

**Date of Pronouncement : 30/07/2024**

**ORDER**

This is an appeal filed by the assessee against the order of the Id CIT(A), NFAC, Delhi dated 19.1.2024 in Appeal No.NFAC/2017-18/10228288 for the assessment year 2018-19.

2. Shri Amulya Kumar Roy, Id AR appeared for the assessee. Shri S.C.Mohanty, Id Sr DR represented on behalf of the revenue.

3. It was submitted by Id AR that the only issue in this appeal which is being contested against the addition of Rs.22,58,550/- representing the purchases of G.P.sheets required for air-conditioning work. It was the

submission that the assessee had purchased 50.190 mtrs of G.P.sheet from M.S. Steel Industry, Rourkela at Rs. 45,000/- per M.T. It was the submission that as M.S. Steel Industry did not respond to the notice u/s.133(6) of the Act sent by the Assessing officer, the Assessing officer treated the purchase in the hands of the assessee as bogus purchases and made the addition. It was the submission that the said sheets were purchased and was also substantially consumed. It was the submission that as the seller did not respond to the notice u/s.133(6) of the Act, the addition should not be made in the hands of the assessee. It was the submission that the purchases have also been included in the stock statement of the assessee and the AO disbelieved the said purchases without making necessary adjustment to the stock of the assessee, which is not permissible. It was the submission that if these purchases are not there, the assessee could not have done the work as is evident from the consumption mentioned in the stock register, therefore, the addition made by the AO and confirmed by the Id CIT(A) be deleted.

4. In reply, Id Sr DR vehemently supported the order of the Assessing officer and Id CIT(A).

5. I have considered the rival submissions. The assessee has produced the stock statement and purchase details, which is as follows:

**M/S. YUKON ENTERPRISES(P)LTD.(2017-18)**  
C-1 , INDUSTRIAL ESTATE , ROURKELA-04  
SINDERGARH ( ODISHA)-769004  
VAT TIN NO.-21885400717  
GST NO. 21AADCG4107E1ZD  
STATE CODE:21  
E-Mail : 0661-2400140

**GP Sheet**  
Stock Item Register  
1-Apr-17 to 31-Mar-18

Date	Particulars	Vch Type	Vch No.	Inwards			Outwards			Closing					
				Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value			
10-Apr-17	Shree Shyam Minerals	Purchase	02	0.698	MTS	50,500.00					0.698	MTS	50,500.00	35,249.00	
15-Apr-17	Shree Shyam Minerals	Purchase	03	1.191	MTS	50,500.00					1.889	MTS	50,500.00	95,394.50	
17-Apr-17	Shree Shyam Minerals	Purchase	04	1.821	MTS	50,500.00					3.710	MTS	50,500.00	1,87,355.00	
22-Jun-17		Stock Journal	1				1.960	MTS	50,500.00	98,980.00	1.750	MTS	50,500.00	88,375.00	
20-Nov-17	M.S.Steel Industry,Rkl	Purchase	687	20.010	MTS	45,000.00					21.760	MTS	45,860.24	9,97,918.92	
21-Nov-17	Kuber Steels,Rkl	Purchase	KS/193	2.680	MTS	43,500.00					24.440	MTS	45,620.64	11,14,968.54	
22-Nov-17	M.S.Steel Industry,Rkl	Purchase	730	15.040	MTS	45,000.00					39.480	MTS	45,395.39	17,92,210.03	
24-Nov-17	M.S.Steel Industry,Rkl	Purchase	770	15.140	MTS	45,000.00					54.620	MTS	45,289.59	24,73,717.40	
27-Nov-17		Stock Journal	2				2.670	MTS	48,604.87	1,29,775.00	51.950	MTS	45,289.59	23,52,794.20	
29-Nov-17		Stock Journal	3				2.990	MTS	45,000.00	1,34,550.00	48.960	MTS	45,289.59	22,17,378.32	
7-Dec-17	Sachdeva Ispat Private Limited,Rkl	Purchase	3043	0.810	MTS	47,610.17					49.770	MTS	45,322.34	22,55,692.99	
23-Dec-17	Kuber Steels,Rkl	Purchase	KS/246	3.610	MTS	45,000.00					53.380	MTS	45,303.27	24,18,288.35	
28-Dec-17		Stock Journal	4				3.840	MTS	45,000.00	1,72,800.00	49.540	MTS	45,303.27	22,44,323.81	
2-Jan-18		Stock Journal	5				2.390	MTS	45,000.00	1,07,550.00	47.150	MTS	45,303.27	21,36,049.00	
27-Jan-18	Reliable Udyog Private Limited,Rkl	Purchase	2242	0.420	MTS	50,915.26					47.570	MTS	45,341.64	21,56,901.91	
8-Feb-18		Stock Journal	6				5.720	MTS	45,000.00	2,57,400.00	41.850	MTS	45,341.64	18,97,547.72	
13-Feb-18		Stock Journal	7				2.940	MTS	45,000.00	1,32,300.00	38.910	MTS	45,341.64	17,64,243.29	
20-Feb-18		Stock Journal	8				1.220	MTS	44,987.70	54,884.99	37.690	MTS	45,341.64	17,08,926.49	
27-Feb-18	Reliable Udyog Private Limited,Rkl	Purchase	2660	0.470	MTS	52,610.17					38.160	MTS	45,396.84	17,32,343.42	
28-Feb-18		Stock Journal	9				3.100	MTS	43,708.06	1,35,494.99	33.670	MTS	45,396.84	15,28,511.60	
		Stock Journal	10				1.390	MTS	45,000.00	62,550.00	33.908	MTS	45,430.93	15,40,472.08	
9-Mar-18	Reliable Udyog Private Limited,Rkl	Purchase	2793	0.238	MTS	54,296.60					35.968	MTS	45,659.25	16,42,271.78	
14-Mar-18	Shree Shyam Steel Industries,Rkl	Purchase	413	2.060	MTS	52,545.00									
Totals as per 'Default' valuation :				64.188	MTS	45,659.25	29,30,775.72	28.220	MTS	45,580.62	12,86,284.98	35.968	MTS	45,659.25	16,42,271.78

6. Thus, clearly, the stock statement shows the purchase of the materials in the stock register. On account of the said purchase of nearly 50.190 mtrs, the closing stock is 35.968 mtrs. If the said purchase is disbelieved, then the assessee should have negative stock but clearly, the Assessing Officer has accepted the stock statement of the assessee and has

not done tinkering with the same. This being so, only because the seller did not respond to the notice issued by the Assessing Officer on account of the said purchases, the addition should not be made treating it as bogus purchases of the assessee. This being so, the addition made by the AO and confirmed by Id CIT(A) stands deleted.

7. In the result, appeal of the assessee stands allowed.

Order dictated and pronounced in the open court on 30/07/2024.

Sd/-

**(George Mathan)**  
**JUDICIAL MEMBER**

Cuttack; Dated 30/07/2024

B.K.Parida, SPS (OS)

**Copy of the Order forwarded to :**

1. The Appellant : Yukon Enterprises Pvt Ltd.,  
C-1, Industrial Estate, Rourkela
2. The Respondent: Income Tax Officer, Ward-  
1, Rourkela
3. The CIT(A)- NFAC, Delhi
4. Pr.CIT, Sambalpur
5. DR, ITAT, Cuttack
6. Guard file.  
//True Copy//

**By order**

Sr.Pvt.secretary  
**ITAT, Cuttack**