

आयकर अपीलीय अधिकरण, कोलकाता पीठ 'बी', कोलकाता
IN THE INCOME TAX APPELLATE TRIBUNAL "B" BENCH KOLKATA

Before Shri Sanjay Garg, Judicial Member and Shri Rakesh Mishra, Accountant Member

I.T.A. No.1277/Kol/2023
Assessment Years: 2020-21

Utkarsh Rai.....Appellant
C/o S.N. Ghosh & Associates, Advocates
2, Garstin Place, 2nd Floor, Suite No.203,
Off Hare Street, Kol-1.
[PAN:ALTPR9779F]

vs.

ITO, Ward-43(1), Kolkata..... Respondent

Appearances by:

Shri Somnath Ghosh, AR and Abhay K. Fulfagar, FCA, appeared on behalf of the assessee.

Shri Abhijit Kundu, CIT-DR, appeared on behalf of the Revenue.

Date of concluding the hearing : August 08, 2024

Date of pronouncing the order : August 09, 2024

आदेश / ORDER

संजय गर्ग, न्यायिक सदस्य द्वारा / Per Sanjay Garg, Judicial Member:

The present appeal has been preferred by the assessee against the order dated 29.09.2023 of the National Faceless Appeal Centre [hereinafter referred to as 'CIT(A)'] passed u/s 250 of the Income Tax Act (hereinafter referred to as the 'Act').

2. The assessee in this appeal has agitated against the confirmation of addition by the Id. CIT(A) of Rs.85,13,92,096/-, which has been made by the Assessing Officer u/s 69C of the Act on account of bogus purchases.

3. The brief facts of the case are that the assessee is an individual and is engaged in the business of dealing in bullion through its proprietorship concern namely M/s Shewpujan Rai Indrasen Rai and Grandsons. During the assessment proceedings, the Assessing Officer observed that the assessee had shown purchase of bullion of

Rs.85,13,92,096/- from some vendors who have not filed return of income for the relevant assessment year. The details of the said vendors are as under:

Sl. No.	Name and PAN of the Vendor/ Service Provider	Amount
1	Shravan Kumar (PAN: FSMPK 3057 G)	21,60,34,364/-
2	Ankit Kumar (PAN: ASTPA 3491 J)	19,75,32,981/-
3	Varun Kumar (PAN: EEGPK 4385 L)	13,31,73,882/-
4	Haripal (PAN: ASEPH 7437 G)	10,33,61,460/-
5	Pappu Paswan (PAN: ERYPP 9251 B)	20,12,89,409/-
	Total	85,13,92,096/-

3.1 The Assessing Officer asked the assessee to furnish the relevant details relating to the aforesaid purchases, whereupon, the assessee furnished the following reply:

"1. Nature of Business- already mentioned in our reply dated 30.11.2021

2.Computation, Balance Sheet and Profit and Loss Account for the relevant assessment year already submitted with our reply dated 30.11.2021

3. Total income and TDS/TDS already explained in our reply dated 30.11.2021

4. Regarding non-filing of ITR by specific vendors- Under normal trading activities, the vendor is not obliged to share their ITR copies with us. The check we do is to ensure that our purchases are appearing in the GST returns and matching with the purchases. We have matched our purchases with the GST Return (Form 2A) filed by respective vendors.

4.1. Regarding filing of ITR/GST by vendors under non-business code- Again, we would like to mention that our check is limited to the reconciliation of GST returns filed by vendors vis-à-vis purchases and input credits taken by us.

4.2 Regarding filing of GST by vendors with lower turnover range- below is a reconciliation of Turnover shown by vendor (as per Form 2A) and purchases booked by us which shows that whatever purchases we have made is duly shown by specific vendors in their GST return:

Sl. No.	Name	PAN	Firm name	GSTR 2A	Books
1	Shravan Kumar	FSMPK 3057 G	Shri Ram Enterprises	28,97,04,314	21,60,34,364