

**IN THE INCOME-TAX APPELLATE TRIBUNAL “A” BENCH,
MUMBAI**

**BEFORE SHRI AMIT SHUKLA, JUDICIAL MEMBER
&
SMT. RENU JAUHRI, ACCOUNTANT MEMBER**

**ITA No. 3788/MUM/2024
(A.Y. 2018-19)**

Agarwal Chem Products (India) Pvt. Ltd. 105/106, Parshwa Chamber, 17/21 Issaji Street Vadgadi, Masjid Bunder, Mumbai-400003	v/s. बनाम	DCIT Circle 6(1)(1) 563, 5 th Floor, Aayakar Bhawan, Maharishi Karve Road, Mumbai-400020
स्थायी लेखा सं./जीआइआर सं./PAN/GIR No: AADCA1085H		
Appellant/अपीलार्थी	..	Respondent/प्रतिवादी

Appellant by :	Shri Suchek Anchaliya
Respondent by :	Shri Manoj Kumar Sinha

Date of Hearing	04.09.2024
Date of Pronouncement	24.10.2024

आदेश / ORDER

PER RENU JAUHRI [A.M.] :-

This appeal is filed by the assessee against the order of the Learned Commissioner of Income-tax (Appeals)/National Faceless Appeal Centre, Delhi [hereinafter referred to as “CIT(A)”] dated 30.05.2024 passed u/s. 250 of the Income-tax Act, 1961 [hereinafter referred to as “Act”] for Assessment Year [A.Y.] 2018-19.

2. The assessee has raised following grounds of appeal:

“1. On the facts and in the circumstances of the case and in law the Ld. NFAC erred in not considering that the assumption of jurisdiction by the Ld. Assessing Officer is bad in law as the conditions laid down under the Act for initiating reassessment proceeding u/s 147 of the Act have not been fulfilled.

2. On the facts and circumstances of the case and in law, the Ld. NFAC erred in confirming the addition of alleged bogus sales amounting to Rs. 51,97,500/- made to M/s Advance Computers and Mobiles India Pvt. Ltd without appreciating the fact that the appellant has not made transactions with M/s Advance Computers and Mobiles India Pvt. Ltd during the year or till date.

3. On the facts and in the circumstances of the case and in law, the Ld. NFAC erred in confirming 100% addition of purchase made from M/s Germanium Trading Private Limited as alleged bogus purchases without appreciating the facts that the transaction of Rs. 90,50,000/- from party is genuine purchases, and the payments was made through banking channel and the quantity details of the purchase are matching with the sales.

4. The appellant craves to add, alter, classify, reclassify, delete or modify any of the above grounds of appeal and requests to consider each of the above grounds without prejudice to one another”

3. The brief facts of the case are that the assessee had filed return declaring income of Rs. 60,73,110/-. Subsequently, information receipt by the department that the assessee had received fraudulent/fake invoices in respect of accommodation entries taken from the following two entities:

a. M/s. Advance Computers and Mobiles India Pvt Ltd. - 51,97,500/-

b. M/s Germanium Trading Pvt. Ltd. - 90,50,000/-

4. The case was reopened and a notice u/s 148 was issued, in response to which no return was filed by the assessee. After considering assessee's reply, the AO held that the assessee could not establish the genuineness of the transactions, and accordingly, an addition u/s 68 was made in respect of Rs. 51,97,500/- being bogus sales made to M/s. Advance Computers and Mobiles



India Pvt. Ltd. and Rs. 90,50,000/- was added u/s 69C on account of bogus purchases made from M/s. Germanium Trading Pvt. Ltd.

5. The assessee filed an appeal before the Ld. CIT(A). However, vide order dated 30.05.2024, the assessee's appeal was dismissed on the ground that despite several opportunities provided to substantiate its claim the assessee had made no compliance.

6. Aggrieved with the said order, the assessee is in appeal before us.

7. We have heard the rival submissions. It has been claimed by the Ld. AR that no compliance could be made before Ld. CIT(A) as the notices were sent on the email of an employee who had left the organization. It was further pointed out that the case for AY 2017-18, on similar issue, was also restored to the AO. Accordingly, we deem it proper to restore the case to the AO for proper verification of requisite documents such as transportation bills, indemnity etc. The AO is further directed to grant reasonable opportunity to the assessee to substantiate its claim.

8. In the result, the appeal of the assessee is allowed for statistical purpose.

Order pronounced in the open court on 24.10.2024.

Sd/-

AMIT SHUKLA

(न्यायिक सदस्य/JUDICIAL MEMBER)

Sd/-

RENU JAUHRI

(लेखाकार सदस्य/ACCOUNTANT MEMBER)



Place: मुंबई/Mumbai

दिनांक /Date 24.10.2024

अनिकेत सिंह राजपूत/ स्टेनो

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. आयकर आयुक्त / CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण DR, ITAT,
Mumbai
5. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//
आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt. Registrar)
आयकर अपीलीय अधिकरण/ ITAT, Bench,
Mumbai.

