

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

श्री संजय गर्ग, न्यायिक सदस्य  
एवं  
श्री संजय अवस्थी, लेखा सदस्य  
के समक्ष  
Before

SRI SANJAY GARG, JUDICIAL MEMBER  
&  
SRI SANJAY AWASTHI, ACCOUNTANT MEMBER

I.T.A. No.: 1472/KOL/2024  
Assessment Year: 2021-22

*Samriddh Wire Products Pvt. Ltd.* ..... *Appellant*  
*20A, N. S. Road, Room No. 106,*  
*1<sup>st</sup> Floor, Kolkata-700 001.*  
*(PAN: AAOCS9483J)*

*Vs.*

*ITO, Ward-9(1), Kolkata* ..... *Respondent*

**Appearances:**

*Appellant represented by : Shri S. K. Thakur, AR*  
*Respondent represented by : Shri P. N. Barnwal, CIT, DR*

Date of concluding the hearing : 16.01.2025

Date of pronouncing the order : 16.01.2025

**ORDER**

**Per Sanjay Garg, Judicial Member:**

The present appeal filed by the assessee is directed against the order dated 08.05.2024 of the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as Ld. 'CIT(A)'] passed u/s. 250 of the Income Tax Act, 1961 (hereinafter referred to as the "Act") for Assessment Year 2021-22.

2. The assessee is aggrieved by the action of the Ld. CIT(A) in confirming the addition made by the AO on account of disallowance of purchase of Rs.7,16,78,802/- holding the same as bogus and thereby suppressing the profits.

3. At the outset, the Ld. Counsel for the assessee has submitted that the Assessing Officer (AO) has not disputed the sales. He submitted that the assessee is involved in the business of manufacturing as well as trading. That the purchase of raw material was made by the assessee which was used for manufacturing activity and further the excess purchase material was traded also as such. That the AO has neither disputed the sales nor the profits disclosed by the assessee @ 4.8% shown by the assessee on sales. He, however, made certain enquiries relating to the purchases and since no satisfactory reply was received from the concerned parties, therefore, he made the addition in respect of the purchase of Rs.7,16,78,802/- holding the same as bogus. The Ld. CIT(A) confirmed the addition as made by the AO.

4. The Ld. Counsel for the assessee, at the outset, has invited our attention to the impugned order of the Ld. CIT(A) to submit that the same is an ex parte order. The Ld. Counsel has submitted that the assessee company was run by two directors, who are husband and wife. That Smt. Urmila Ruia, one of the directors, was suffering from severe medical problems during the period and both the husband and wife were worried and involved in her medical treatment, therefore, there was no appearance before the Ld. CIT(A).

5. The Ld. Counsel has further explained that in this case, the assessee is involved in manufacturing as well as in trading activity. That the total turnover of the assessee for the year under consideration were Rs.25,28,22,422/- and the total purchases of the assessee for the year were of Rs.29,14,77,385/-. The Ld. Counsel has further submitted that out of the aforesaid sales, the total amount of sales relating to the goods manufactured by the assessee were at Rs.2 Cr. only and the rest of the sales were relating to trading activity of the assessee only. He has further submitted that since the sales of the assessee from the trading activity have not been disputed and even the sales from manufacturing activity have also not been disputed,

therefore, the entire purchase could not have been added. That even in case, the assessee could not prove the genuineness of purchases only, the profit element could have been added as there is no allegation that the assessee had made purchases from unexplained source of income. The Ld. Counsel has submitted that the assessee had furnished all the requisite details before the AO but the same have been ignored by the AO. He has further submitted that he is ready to demonstrate all the details before the Ld. CIT(A). The Ld. Counsel has submitted that assessee may be given an opportunity to present its case before the ld. CIT(A).

6. The Ld. DR has not objected to the restoration of the matter to the ld. CIT(A).

7. In view of the above submissions, impugned order of the Ld. CIT(A) is set aside. The matter is restored to the file of the Ld. CIT(A) with a direction to examine the contentions of the assessee and pass a speaking order in accordance with law.

8. In the result, the appeal of the assessee is treated as allowed for statistical purposes.

***Order pronounced in the open Court.***

*Sd/-*  
**[Sanjay Awasthi]**  
Accountant Member

*Sd/-*  
**[Sanjay Garg]**  
Judicial Member

Dated: 16.01.2025

*Jd., Sr.P.S)*

*Copy of the order forwarded to:*

1. **Appellant – Samriddh Wire Products Pvt. Ltd.**
2. **Respondent – ITO, Ward-9(1), Kolkata**
3. CIT(A), NFAC, Delhi
4. Pr. CIT-
5. CIT(DR), Kolkata Benches, Kolkata.

*//True copy //*

By order  
Assistant Registrar  
ITAT, Kolkata Benches