

**IN THE INCOME TAX APPELLATE TRIBUNAL,
AGRA BENCH, AGRA**

**BEFORE : SHRI S. RIFAUR RAHMAN, ACCOUNTANT MEMBER
AND
SHRI SUNIL KUMAR SINGH, JUDICIAL MEMBER**

**ITA No. 492/Agr/2025
Assessment Year: 2020-21**

Deepak Kumar Agarwal, C/o Heera Lal, Manish Kumar, Kamla Bazar, Hathras.	Vs.	Income-tax Officer, Ward 4(3)(4), Hathras.
PAN : AAJPA1930C		
(Appellant)		(Respondent)

Assessee by	Sh. Pankaj Gargh, Advocate
Department by	Sh. Shailendra Srivastava, Sr. DR

Date of hearing	17.12.2025
Date of pronouncement	17.12.2025

ORDER

PER : SUNIL KUMAR SINGH, JUDICIAL MEMBER:

This appeal has been preferred by assessee against the impugned order dated 20.08.2025, passed in Appeal No. NFAC/2019-20/10193492 by the learned Commissioner of Income-tax (Appeals), NFAC, Delhi u/s. 250 of the Income-tax Act, 1961 (hereinafter referred to as "the Act") for the assessment year 2020-21, wherein learned CIT(Appeals) has allowed assessee's appeal in part.

2. Brief facts state that the appellant assessee is engaged in whole sale business of metal and metal ores in the name and style of HeeraLal Manish

Kumar. Assessee filed his return of income on 03.01.2022, declaring income of Rs.12,91,100/-. The case was selected for scrutiny to verify high liabilities shown in balance sheet as compared to low income/receipts declared in ITR and to verify genuineness of purchases made from high risk billers. Statutory notices u/s. 143(2) and 142(1) of the Act were issued and served upon the assessee. Assessee furnished requisite details as called for by the Assessing Officer. The Assessing Officer noticed on perusal of list of purchases that the two parties from whom the assessee made purchases, namely R.G. Enterprises (Prop. Laxmi Kant Ram Gopal Bhuraria) and M/s. C.K. Industries (Prop. Shri Simapreet Arora) did not file their return of income for the year under consideration and the notices sent to them u/s. 133(6) of the Act to furnish confirmation of sales to the appellant assessee, were not responded. As per Assessing Officer, the acknowledgement of return of income filed with respect to M/s. R.G. Enterprises was found to be forged either by assessee or proprietor of M/s. R.G. Enterprises. Hence, the Assessing Officer was of the view that since both the parties did not file their return of income, the purchases of Rs.2,49,74,428/- shown by assessee from Laxmi Kant Ram Gopal Bhuraria (R.G. Enterprises) and Rs.6,77,876/- from Shri Simapreet Arora (C.K. Industries), totaling to Rs.2,56,52,304/-, are bogus purchases and added the same to the income of assessee, assessing total income at

Rs.2,69,43,404/-, vide assessment order date 26.09.2022 passed u/s. 143(3) r.w.s. 144B of the Act.

3. Aggrieved, assessee preferred first appeal before the learned CIT(A), who partly allowed the appeal, inasmuch as, the addition made towards bogus purchases from M/s. R.G. Enterprises amounting to Rs.2,49,74,428/- was directed to be deleted after verifying the documentary evidences furnished by assessee to prove the genuineness of the said purchases. However, the addition made towards bogus purchases from M/s. C.K. Industries, amounting to Rs.6,77,876/- was confirmed for want of confirmation from the said party.

4. Present appeal has been filed on the ground that the learned CIT(A) has erred in sustaining the addition of Rs.6,77,876/- made on account of bogus purchases from M/s. C.K. Industries, without properly considering the documents to prove the genuineness of purchases.

5. Perused the records and heard learned representative for assessee and learned DR for revenue.

6. Learned AR for assessee has submitted that various documentary evidences in the form of GST registration, details of GST returns filed by the seller, copy of purchase invoice, e-way bill, transport bilty, confirmation from the transporter, copy of audit report u/s. 44AB, copy of bank statement of HDFC Bank, from where the payment has been made by assessee

towards the impugned purchases, were submitted before the authorities below, which were not properly considered before making and confirming the impugned addition.

7. Learned DR for revenue has supported the impugned order.

8. It is observed that the impugned addition of Rs. 6,77,876/- on account of alleged bogus purchases from M/s. C.K. Industries has been sustained by the learned CIT(A) mainly for want of genuineness of the transaction and creditworthiness and confirmation from the said party. The assessee has contended that it had furnished various documentary evidences to substantiate the genuineness of the impugned purchases, such as GST registration, details of the supplier, details of GST returns filed by the seller, purchase invoices, e-way bills, transport billty, confirmation from the transporter, audit report under section 44AB, and bank statement evidencing payment through banking channels. It appears that these documentary evidences have not been examined and appreciated in a proper and holistic manner either at the stage of assessment or at the first appellate stage. It is a settled position of law that where the assessee produces prima facie evidences in support of its claim, the same are required to be duly verified and considered before drawing any adverse inference. Mere absence of confirmation from the supplier, by itself, may not be sufficient to sustain the addition without examining the other

supporting evidences placed on record. In the interest of justice and fair play, we deem it appropriate to set aside the order of the learned CIT(A) on this limited issue and restore the matter to the file of the Assessing Officer. The Assessing Officer is directed to examine and verify all the documentary evidences furnished by the assessee in support of the purchases from M/s. C.K. Industries and thereafter pass a fresh order in accordance with law, after providing reasonable opportunity of hearing to the assessee. The assessee is also directed to file his submissions along with documentary evidences before the Assessing Officer in support of his claim. Needless to say that the Assessing Officer shall ensure observance of the principles of natural justice. Accordingly, the appeal is liable to be allowed for statistical purposes.

9. In the result, appeal is allowed for statistical purposes.

Order pronounced in the open court on 17.12.2025 and reduced in writing on this 15 day of January, 2026.

**Sd/-
(S. RIFAUR RAHMAN)
ACCOUNTANT MEMBER**

**Sd/-
(SUNIL KUMAR SINGH)
JUDICIAL MEMBER**

Dated: 15.01.2026

*aks/-

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar, ITAT, Agra