

**IN THE INCOME TAX APPELLATE TRIBUNAL  
SURAT "SMC" BENCH, SURAT**

**BEFORE DR. B.R.R. KUMAR, VICE-PRESIDENT  
AND MS. SUCHITRA KAMBLE, JUDICIAL MEMBER**

I.T.A. No.1011/SRT/2024  
(Assessment Year: 2012-13)

Mahavir Agro Industries, C/1, B-456/2, New GIDC, Kabilpor, Navsari PAN : AALFM6648R	Vs.	The ITO, Ward-3, Navsari
<b>(Appellant)</b>	..	<b>(Respondent)</b>
<b>Appellant by :</b>	Shri Rajesh Upadhyay, A.R.	
<b>Respondent by:</b>	Ms. Namita Patel Sr. D.R.	
<b>Date of Hearing</b>	19.01.2026	
<b>Date of Pronouncement</b>	21.01.2026	

**ORDER**

**PER SUCHITRA KAMBLE, JUDICIAL MEMBER:-**

This is an appeal filed against the order dated 31-07-2024 passed by National Faceless Appeal Centre (NFAC), Delhi for assessment year 2012-13

2. With regard to the additional ground taken up before us regarding reopening was that the assessee was not given the statement and was not given opportunity to cross examine Shri Narendrakumar Narayandas Agrawal. Besides this the Ld. AR also submitted that the reopening was based only on DDIT (Investigation) Information. The notice u/s 148 of the Act was issued on 29.03.2019 without doing proper inquiry by the Assessing Officer as per Ld. AR. We find that all these contentions does not sustain for the reason that there was sufficient information received by the AO and after going through the said

- 2-

information and also that of the statement alongwith other material the Assessing Officer with proper approvals and after recording the reasons, has issued notice under Section 148 of the Act. There is no procedural or legal lapse on part of the Assessing Officer while issuing the notice under Section 148 of the Act. The case laws submitted by the Ld. AR are not be applicable in the present case as the Assessing Officer has recorded the detailed reasons. Hence, additional grounds are dismissed.

3. As regards merits of the case, the assessee has allegedly made bogus purchase of Rs.48,53,545 from three parties named Shyam Baba Trading Co., Balaji Agro Tradelink and Sai Baba Trading Company which were operated by Narendrakumar Narayanlal Agrawal (an accommodation entry provider). Shri Narendrakumar Narayanlal Agrawal also stated in his statement that the assessee was one of the beneficiaries of the accommodation entries and he never delivered any goods to the assessee. The assessee has given details of payment for purchase but has not given any other relevant documents relevant to the actual goods movement and delivery by the said parties either before the Assessing Officer or before the CIT(A). However, the revenue has accepted the sale of the assessee and the quantitative details are not disputed therefore, the entire addition cannot sustain. The assessee had turnover of Rs. 15 crores and the bogus bills were alleged to be of Rs. 48 lakhs. Keeping in view the entire facts of the case and the established jurisprudence, we deem it fit to determine the profit to the extent of 5% of the purchases

- 3-

made by the assessee over and above the regular profits disclosed.  
The appeal of the assessee is partly allowed.

4. In the result, the appeal of the assessee is partly allowed.

**The order is pronounced in the open Court on 21.01.2026**

**Sd/-**

**(DR. B.R.R. KUMAR)  
VICE-PRESIDENT**

Surat; Dated 21/01/2026

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**Sd/-**

**(SUCHITRA KAMBLE)  
JUDICIAL MEMBER**

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

1. अपीलार्थी / **The Appellant**
2. प्रत्यर्थी / **The Respondent.**
3. संबंधित आयकर आयुक्त / **Concerned CIT**
4. आयकर आयुक्त (अपील)/ **The CIT(A)-**
5. विभागीय प्रतिनिधि,अधिकरण अपीलीय आयकर ,/DR,ITAT, Surat,
6. गार्ड फाईल / **Guard file.**

आदेशानुसार/ **BY ORDER,**

सहायक पंजीकार (**Asstt. Registrar**)  
आयकर अपीलीय अधिकरण  
**ITAT, Surat**