



**आयकर अपीलीय अधिकरण "डी" न्यायपीठ मुंबई में।  
IN THE INCOME TAX APPELLATE TRIBUNAL  
"D" BENCH, MUMBAI**

**माननीय श्री महावीर सिंह, न्यायिक सदस्य एवं  
माननीय श्री मनोज कुमार अग्रवाल, लेखा सदस्य के समक्ष।  
BEFORE HON'BLE SHRI MAHAVIR SINGH, JM AND  
HON'BLE SHRI MANOJ KUMAR AGGARWAL, AM**

आयकर अपील सं./ I.T.A. No.5078/Mum/2018  
(निर्धारण वर्ष / Assessment Year: 2007-08)

&

आयकर अपील सं./ I.T.A. No.5157/Mum/2018  
(निर्धारण वर्ष / Assessment Year: 2011-12)

<b>M/s. Rishabh Steel (House)</b> 101/102, Rishabh House 30, Dacan Road M.A. Road, Mumbai-400 004.	<b>बनाम/ Vs.</b>	<b>ITO-19(3)(1)</b> Room No.206, 1 <sup>st</sup> Floor Tardeo Road Mumbai-400 007.
स्थायी लेखा सं./जी आइ आर सं./PAN/GIR No. <b>AACFR-2807-C</b>		
(पीलार्थी/ <b>Appellant</b> )	:	(प्रत्यर्थी / <b>Respondent</b> )

<b>Appellant by</b>	:	Vimal Punamiya- Ld. AR
<b>Respondent by</b>	:	D.G. Pansari - Ld.DR

सुनवाई की तारीख/ <b>Date of Hearing</b>	:	12/03/2019
घोषणा की तारीख / <b>Date of Pronouncement</b>	:	18/03/2019

**आदेश / ORDER**

**Per Manoj Kumar Aggarwal (Accountant Member)**

1. Aforesaid appeals by assessee for Assessment Years [in short referred to as 'AY'] 2007-08 and 2011-12 contest common order of Ld. Commissioner of Income-Tax (Appeals)-30, Mumbai, [in short referred to as 'CIT(A)'], *Appeal Nos. CIT(A)-30/19(3)(1)/682/2015-16 and CIT(A)-30/19(3)/451/2016-17* dated 16/07/2018 *qua* confirmation of certain addition on account of *alleged bogus purchases*. The assessee has also



challenged the reassessment proceedings on legal grounds. The assessee being *resident firm* was stated to be engaged as *dealer of ferrous & nonferrous metals*.

**ITA No. 5078/Mum/2018, AY 2007-08**

2.1 The perusal of quantum assessment order passed u/s 143(3) *read with Section 147* dated 12/03/2015 reveal that the assessee has been saddled with quantum additions of Rs.18.73 Lacs on account of *alleged bogus purchases* which is the sole subject matter of instant appeal before us. The assessee had filed its return of income for impugned AY on 30/10/2007 which was processed u/s 143(1).

2.2 The reassessment proceedings got triggered pursuant to receipt of certain information from *DGIT (Inv.), Mumbai* wherein it transpired that the assessee stood benefitted by certain accommodation purchase bills aggregating to Rs.93.68 Lacs stated to be procured from 3 parties, the details of which have already been extracted at *para 2* of the quantum assessment order. Consequently, notice u/s 148 was issued on 24/03/2014 which was followed by statutory notices u/s 143(2) & 142(1) wherein the assessee was directed to substantiate the purchase transactions.

2.3 The notices sent u/s 133(6) to the suppliers, to confirm these transactions, remained unserved by the postal authorities and the assessee also failed to produce any of the supplier to confirm the transactions. Although the assessee defended the purchases by submitting purchase bills, bank statements, VAT challans, ledger extracts, however, failed to substantiate the actual delivery of material with supporting documents. Finally, relying upon the decision of Hon'ble Gujarat High Court rendered in *CIT Vs. Simit P.Sheth [356 ITR 451]*, Ld.



AO estimated the addition against the same @20% which resulted into impugned additions of Rs,18.73 Lacs in the hands of the assessee.

3. The Ld. first appellate authority while upholding the validity of reassessment proceedings restricted the impugned additions to 5% keeping in view the decision of this Tribunal rendered in assessee's own case for AYs 2006-07, 2009-10 & 2010-11. Aggrieved, the assessee is in further appeal before us.

4. The Ld. Authorized Representative for Assessee [AR] pleaded for further relief to the assessee whereas Ld. Departmental Representative submitted that the impugned order is in accordance with the order of this Tribunal for other years.

5. Upon careful consideration, the undisputed fact that emerges out is that first appellate authority has estimated the addition in line with the decision of this Tribunal in assessee's own case for earlier years. Therefore, facts & circumstances being *pari-materia* the same, no infirmity could be found in the same. So far as the validity of reassessment proceedings is concerned, we find that the return was processed u/s 143(1) and subsequently, some tangible material in the shape of information from *DGIT (Inv.)* came unto the possession of Ld. AO which indicated escapement of income in the hands of the assessee. Therefore, the proceedings were perfectly valid.

6. Resultantly, the appeal stands dismissed.

**ITA No. 5157/Mum/2018, AY 2011-12**

7. Facts and circumstances are *pari-materia* the same in this year. The impugned order is common order for AY 2007-08 & 2011-12. The Ld. CIT(A) has simply followed the observations as made in AY 2007-08.



Therefore, taking the same view, finding no infirmity in the same, we dismiss the appeal.

8. Resultantly, the appeal stands dismissed.

**Conclusion**

9. Both the appeals stand dismissed.

*Order pronounced in the open court on 18<sup>th</sup> March, 2019.*

**Sd/-**

**(Mahavir Singh)**

न्यायिक सदस्य / **Judicial Member**

**Sd/-**

**(Manoj Kumar Aggarwal)**

लेखा सदस्य / **Accountant Member**

मुंबई Mumbai; दिनांक Dated : 18/03/2019

*Sr.PS, Jaisy Varghese*

**आदेशकीप्रतिलिपिअग्रेषित/Copy of the Order forwarded to :**

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकरआयुक्त(अपील) / The CIT(A)
4. आयकरआयुक्त/ CIT– concerned
5. विभागीयप्रतिनिधि, आयकरअपीलीयअधिकरण, मुंबई/ DR, ITAT, Mumbai
6. गार्डफाईल / Guard File

आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt.Registrar)  
आयकरअपीलीयअधिकरण, मुंबई / ITAT, Mumbai.