

REASON TO SUSPECT' CAN'T BE A REASON TO RE-OPEN ASSESSMENT: ITAT

URVISH B. MEHTA VS. I.T.O

CASE NO. - 2259/MUM/2016

DATE -10.10.2018

**Fact of the Case**

1. Urvish B. Mehta is the assessee in the present case.
2. During the Assessment proceedings, the assessing officer concluded that assessee has received some bogus purchase entries from thirteen parties and not making any purchase of actual goods or service.
3. The case was re-opened under section 147 of the Act pursuant to the notice under section 148.
4. The assessee contested the issue of re-opening the assessment under section 147 before the A.O.
5. Considering the contentions of the assessee, the A.O framed assessment & makes addition under section 69C.
6. Being aggrieved the assessee appealed to Tribunal and reproduced the name of 13 parties from whom the purchase is done.
7. Assessee also stated that A.O issued notice depending upon some information received from DGIT only.
8. Assessee also argued that without having gone through enquiry the A.O issued such notice.

**Decision of the Case**

The Mumbai Bench of ITAT quashed the order of A.O regarding re-opening of assessment since "the reason to suspect" cannot be ground of reason to re-open assessment.