

आयकरअपीलीयअधिकरण,सुरतन्यायपीठ,सुरत
IN THE INCOME TAX APPELLATE TRIBUNAL
SURAT BENCH, SURAT

BEFORE SHRI SANDEEP GOSAIN, JUDICIAL MEMBER
AND SHRI O.P.MEENA, ACCOUNTANT MEMBER

आ.अ.सं./I.T.A No.2701/AHD/2013

निर्धारण वर्ष/Assessment Year: 2009-10

The Income Tax Officer, Ward-5(1), Surat.	V s .	M/s.Alfa Synthetics, (Now known as M/s.Altas Synthetics), A/10, Mini Silk House, Zampba Bazaar, Surat. [PAN: AAEFA 3407 F]
अपीलार्थी / Appellant		प्रत्यर्थी/Respondent

निर्धारितकीओरसे /Assessee by	Shri P.M.Jagasheth – CA
राजस्वकीओरसे /Revenue by	Shri O.P.Singh CIT-DR and Smt. Anupama Singla – Sr.DR

सुनवाईकीतारीख/ Date of hearing:	05.12.2019
उद्घोषणाकीतारीख/Pronouncement on:	13.12.2019

आदेश / O R D E R

PER SANDEEP GOSAIN, JM:

1. This appeal by the Revenue is directed against the order of Ld.Commissioner of Income Tax(Appeals)-I, Surat dated 05.09.2013 for the assessment year 2009-10.

2. Grounds raised by the Revenue read as under:

“1) On the facts and in the circumstances of the case and in Law, the Ld.CIT(A) has erred in deleting the addition of Rs.4,96,27,261/- in respect of unverifiable creditors and in giving directions that the amount should be added in A.Yr.2006-07 and 2007-08 despite the facts that the assessee could not prove the genuineness of the same in the course of assessment proceedings as well as in the remand proceedings. The Ld.CIT(A) has failed to appreciate that in its Return of Income the alleged debtor “M/s. Pamis Tex.Pvt. Ltd.” has not shown the assessee as its

creditor for A.Yr.2009-10. The Ld.CIT(A) has failed to appreciate that despite numerous opportunities the assessee did not file any documentary evidence.

- 2) *On the facts and circumstances of the case and in law, the Ld.CIT(A) has erred in deleting the addition of Rs.28,32,496/- regarding unexplained repayment towards unsecured loans despite the fact that the sources and nature of the amount of repayments of the same were not proved despite repeated opportunities.*
- 3) *On the facts and circumstances of the case and in law, the Ld.CIT(A) has erred in deleting the addition the addition of Rs. 1,39,31,025/- in respect of unexplained advances to suppliers despite the fact that the nature and genuineness of the transactions was not proved by the assessee either during the course of assessment proceedings or during the remand proceedings.*
- 4) *It is, therefore, prayed that the order of the Ld.CIT(A)-IV, Surat may be set-aside and that of the Assessing Officer's order may be restored."*

3. Brief facts of the case are that the Assessing Officer(AO) made additions of Rs.4,96,27,261/- on account of unverifiable creditors, a sum of Rs.28,32,496/- on account of unexplained repayment of unsecured loans and a sum of Rs.1,39,31,025/- in respect of unexplained advances vide order of assessee dated 29.12.2011 passed u/s.143(3) of the Income Tax Act.

4. Being aggrieved, the assessee filed an appeal before the ld.CIT(A). The ld.CIT(A) after considering the case of both the parties, particularly allowed the appeal and deleted the additions.

5. Being aggrieved, the Revenue filed appeal before this Tribunal on the ground mentioned hereinabove.

6. Ground No.1: This ground raised by the Revenue regarding challenging the ld.CIT(A) deleting addition of Rs.4,96,27,261/- in

respect of unverifiable creditors and in giving direction that the amount should be added in A.Y. 2006-07 – 2007-08. It was submitted that in fact the assessee could not prove the genuineness of the same during the course of assessment proceedings as well as in the remand proceedings and thus the ld.CIT(A) failed to appreciate that even in the Return of Income, the alleged debtor M/s.Pamis Tex. Pvt. Ltd., has not shown the assessee has its creditor for A.Y. 2009-10 and in this way has failed to appreciate that even in spite of availing numerous opportunities assessee could not file any documentary evidence in support of his claim.

7. On the other hand, the ld.Authorised Representative(AR) relied upon the order passed by the ld.CIT(A).

8. We have heard the Counsels of both the parties, we have perused the material placed on record and orders passed by the Revenue Authorities. Before we decide the merits of this ground, it is necessary to evaluate order passed by the ld.CIT(A) on this ground and the same is contained in para no.10. However, the operative portion is contained in para no.10.3 to 10.8 as below:

“10.3 As regards the first ground of appeal related to the addition of Rs. 4,96,27,261/- the opening credit balance in the name of M/s Pamis Tex Pvt Ltd was Rs. 5,19,24,340/-which reduced to Rs 4, 96, 27, 261 on 31.03.2009 as per ledger account of the said concern filed by the appellant. This repayment of Rs 22,97,079/- made during the year consists of a payment of Rs. 2, 40,000 from the bank account of the appellant with Memon Co - op Bank Ltd, while the remaining payment of Rs 20,57,079/- has been made by way of J. V entries. The appellant claimed that the J V entries are pertaining to sale parties whose

crossed cheques were directly given to M/s. Pamis Text Pvt Ltd by endorsement for the reason that if these cheques had been deposited in the bank accounts of the appellant with Memon Co - op Bank Ltd , the same would have been adjusted against the over draft from the said bank account.

10.4 As mentioned in this office letter dated 17.01.2013 (para - 6) addressed to the assessing officer, the JV entries pertained to only 5 to 6 parties. Since the number of parties was very small, the assessing officer was directed to obtain the necessary details of cheques from the appellant, so that corresponding enquiries could be made from those parties to ascertain, whether the they were actually the sale parties or not and whether the cheques were actually issued by them or not?

10.5 With the help of details of cheques, the assessing officer was also directed to make enquiries from the Bank whose cheques were utilized for J.V entries to ascertain whether the destination of these cheque was in Pamis Text Pvt Ltd or not ? However, as mentioned in the A.CTs report dated 10.07.2013, the appellant did not submit any details of sales to these concerns nor did it furnish the details of cheques so as to help the assessing officer in making enquires directly from the sale parties and the bank. Consequently, it is not verifiable whether this payment of Rs.20,57,079/- ha actually been made from the disclosed source or not?

10.6 As regards the closing balance in the name of M/s Pamis Text P Ltd , the assessing officer noticed from the return of income of M/s Pamis Tex P Ltd (for AY 2009-10) , that the total debtors in the books of M/s Pamis Tex P Ltd were only of Rs 50, 23, 427/- which included debtors exceeding of six months of only Rs. 24, 28,332/-. Since the appellant claimed to have made purchases from M/s Pamis Tex Pvt Ltd in assessment year 2006-07, apparently, M/s Pamis Tex Pvt Ltd did not exist as debtor in the books of M/s Pamis Tex Pvt Ltd as on 31. 03. 2009. Further the value of debtors exceeding six months . as on 31.03.2008, as per the return of M/s. Pamis Tex P Ltd for assessment year 2008-09 is only Rs. 10,79,431/-. This clearly establishes that the appellant did not exist as debtor in the books of M/s. Pamis Tex P Ltd , meaning thereby that the payment of liability had taken place prior to 31.03.2008. In this background, when the return of M/s. Pamis Tex P Ltd for assessment year 2007-08 is examined, the value of Sundry Debtors exceeding six months is only Rs. 22,70,128/-. Apparently, the appellant was not "a debtor in the books of M/s. Pamis Jex-Pud even on 31.03.2007. This leaves us with possibilities. Either the claim of purchases by appellant from M/s Pamis Tex P Ltd in assessment year 2006-07 and assessment year 2007-08 In any situation income chargeable to tax of assessment year 2006-07 and assessment year 2007-08 has escaped assessment to the extent of several Crores. The corresponding addition is also required to be made in assessment year 2006-07 and assessment year 2007-08. Considering the large quantum of amount, it is reasonable to believe that unaccounted payment has been made over a period of two years in case the purchases are genuine.

10.7 The assessment order in this case was passed on 29.12.2011 and on that date limitation to issue notice u/s 148 for assessment year 2006-07 was available to the assessing officer. Therefore, the assessing officer is directed u/s 150(1) of the Income Tax Act to issue notice u/s 148 for assessment year 2006-07 and assessment year 2007-08 and add the unaccounted payment pertaining

to each year in that assessment year. It is necessary to mention here that the return of M/s. Pamis Tex P Ltd for assessment year 2006-07 was not sent to this office by the assessing officer on the ground that the same was not available in the system. The same should be obtained (if it was filed in physical form) before completion of proceedings u/s 147 for Asstt Year 2006-07 and 2007-08. This information is necessary to conclusively decide the quantum of addition in each of the years. If the return for Assessment Year 2006-07 was not filed by M/s Pamis Tex P Ltd, details of purchases / sales can be obtained from other authorities to whom such details are required to be reported under any other law.

10.8 Consequently, the addition of Rs.4,96,27,261/- made in the assessment year 2009-10 will have to be deleted. However, as mentioned in para 10.5 (supra) the appellant Y claim of receipt of Rs. 20,57,079/- from sale parties and payment of the same to M/s. Pamis Tex P Ltd is factually incorrect. The source and nature of this amount of Rs. 20,57,079/- has not been established. Therefore, the addition of Rs.4,96,27,261/- is substituted by this addition of Rs. 20, 57,079/- . Ground no. 1 is decided in that manner.”

9. After having gone through the order passed by the Revenue Authorities and having heard the Counsels at length, we find that the AO made the additions in respect of unverifiable creditors in the case of the assessee by holding that the creditors in the balance sheet are found not genuine and assessee had failed to establish that the said creditor was genuine and did not produced confirmation. The AO also held that the address provided by the assessee M/s.Pamis Tex Pvt. Ltd., could not be verifiable because of short duration. Thus, the additions were made on account of unverifiable creditors to the tune of Rs.4,96,27,261/-. We further notice that during the appellate proceedings, the ld.CIT(A) had sought remand reports thrice from the AO and the details contained in the said remand report are contained in para 8.1 of the order of ld.CIT(A) and the same is reproduced below.

“8.1 The assessing officer submitted first report dated 30.8.2012 and second remand report dated 25.9.2012. The remand reports were forwarded by the

Addl. CIT Range-5, Surat. Both these reports are reproduced herein under for reference.

[a] No.SRT/Wd-5(l)/Remand Report/AS/2012-13 Date: 30.08.2012

" 2. In this case, return of income for A.Y.2009-10 was filed by the assessee on 08.09.2009, declaring total loss of Rs. 1,12,240/-.

The assessee is engaged in manufacturing of crimped Yarn. The assessment was made u/s.143(3) of the I T Act on 29.12.2011 after giving sufficient opportunities of being heard to the assessee. The assessment was framed after carefully scrutinizing the submissions and evaluating the facts of the case. In the assessment, the following additions were made to the total income.

<i>Sr. No.</i>	<i>Nature of addition</i>	<i>Amount of Addition</i>	<i>Reason for addition</i>
<i>1.</i>	<i>Unverifiable creditor</i>	<i>4,96,27,261/-</i>	<i>Confirmation by the creditor was not submitted. The assessee did not provide the address and PAN of the creditor namely Pamis Text. Pvt. Ltd. the same was provided before 3 days of the limitation date and therefore there was no time to verify the sanctity of the creditor.</i>
<i>2.</i>	<i>Unexplained re-payment to depositor</i>	<i>28,32,496/-</i>	<i>No evidence as to from which sources the re-payment was made to the depositor was submitted by the assessee. Hence, in absence of any evidence the said payment was treated as made from undisclosed sources and accordingly the same was added as unexplained payment.</i>
<i>3.</i>	<i>Advances to suppliers</i>	<i>1,39,31,025/-</i>	<i>In the balance - sheet, the said amount was shown as advances to supplier. However, the assessee did not furnish any details of the suppliers such as names, addresses, amount, PANs of the suppliers, reasons for advances. In absence of such details, the entire amount of Rs.1,39,31,025/- was considered as non-genuine and accordingly added the same as unexplained advances to the total income.</i>

3. Aggrieved with the assessment order, the assessee filed an appeal before CIT(A), Surat. In the appeal, the assessee has produced additional evidences for which your honour has called for a remand report after verification of the same and also directed to make available him a copy of return of income download from the ITD module.

Addition on a/c of unverifiabie creditor of Rs.4,96,27,261/-

During the course of assessment proceedings in spite of having given number of opportunities to produce the confirmation account, PAN, Address of the trade creditor i.e. Pamis Tex. Pvt. Ltd., the assessee did not furnish any such details, but at the fag end of the year i.e. on 28.12.2011 the AR of the assessee submitted a letter furnishing the following details:

1. PAN
2. CST Number
3. GVAT Number
4. Address of the factory of Pamis Tex. Pvt. Ltd.
5. Audit report of previous year
6. Copies of sale bills received from trade creditor i.e. Pamis Tex. Pvt. Ltd.
Copy of ledger account of trade creditor.

4. *Since, the above details were produced before 3 days of the time barring date i.e. 31.12.2011, the AO was not in position to verify the genuineness of the creditor whether it was genuine or not. He was also not in position to call for confirmation directly from the office of the creditor shown at Mumbai and factory address shown at silvasa in very short time of 2/3 days. As the details produced could not be verified during the assessment proceedings for want of very short time, the entire credit balance of Rs. 4,96,27,261/- in the name of Pamis Tex. Pvt. Ltd. was added to the total income of the assessee as unverifiable creditor.*

During the appellate proceedings, the assessee has submitted the audit report (M/s. Alfa Synthetics) and copy of accounts of the M/s. Pamis Tex. Pvt. Ltd. before your honour who in turn sent the same to this office for verification under Rule 46A of the I.T. Rules, 1962.

5. *Accordingly, before preparing the remand report, I have gone through the conditions laid down in Rule 46A of I.T. Rule 1962. Rule 46A of the IT Rules provides that the assessee/appellant shall not be entitled to produce before the commissioner (Appeals) any evidence, whether oral or documentary, other than the evidences produced by him during the course of the proceedings before the Assessing Officer except in the following circumstances namely:-*

- (a) *Where the AO has refused to admit evidence which should have been admitted;*
- (b) *Or where the assessee was prevented by sufficient cause from producing to the evidences which he was called upon to produced by the AO.*
- (c) *Where the assessee was prevented by sufficient cause from producing before the AO the evidence which is relevant to the grounds of appeal and*
- (d) *Where the. AO had made the order appealed against without giving sufficient opportunities to the assessee to adduce evidence.*

It is also provided that no evidence shall be admitted unless the Commissioner (Appeals) records in writing the reasons for its admission. It further provides that

Commissioner (Appeals) shall not take into account such evidence produced unless the AO has been allowed reasonable opportunity to examine or cross examine such evidence or witnesses produced by the assessee.

6. *On verification of the case records, it is seen that the AO had given sufficient opportunities of being heard and produce books of accounts and other evidences in support of his claims in the return of income, but at the fag end of the year i.e. on 28.12.2011 the AR of the assessee submitted a letter furnishing the following details : -*

1. *PAN*
2. *CST Number*
3. *GVAT Number*
4. *Address of the factory of Pamis Tex, Pvt. Ltd.*
5. *Audit report of previous year*
6. *Copies of sale bills received from trade creditor i.e. Pamis Tex. Pvt. Ltd*
7. *Copy of ledger account of trade creditor.*

7. *Since, the above details were produced before 3 days of the time barring date - 31.12.2011, the AO was not in position to verify the genuineness of the creditor whether it was genuine or not. He was also not in position to call for confirmation directly from the office of the creditor shown at Mumbai and factory address shown at silvasa in very short time of 2/3 days. During the assessment proceedings, the assessee was given numbers of opportunities of being heard and give evidences of credit balance, but the assessee deliberately delayed the assessment proceedings by not furnishing the necessary details in time. The details were submitted just before three days of the limitation date and that too incomplete. Thus the assessee's plea that the details were not verified and the addition made on this ground was unwarranted is rejected. Thus, none of the conditions laid down in Rule 46A is fulfilled and therefore the additional evidences produced before your honour are required to be rejected.*

However, without prejudice to above findings, I have carried out inquiry work as per your honour's direction u/s. 250(4) of the IT Act and the report of the same is as under.

Accordingly, ledger of M/s. Pamis Tex. Pvt. Ltd. in the books of assessee, purchase bills, audit report of the assessee etc. are verified. Also verified the audit report and return of income of M/s. Pamis Tex. Pvt. Ltd. and para-wise report is made as hereunder: -

8. *On verification of the audit report of M/s. Alfa Synthetics for A.Y. 2009-10, it is seen that there were total creditors of Rs.5,44,65,103/- but no party-wise break-up of the credit amount was available with the audit report. Hence, it can not be ascertained whether Pamis Tex. Pvt. Ltd., was one of the creditors of the assessee or not and if yes, what amount was due to it is also not in the audit report. But in the submission given on 16.12.2011, it is noticed that an amount of Rs. 4,96,27,261/- was payable to M/s. Pamis Tex Pvt. Ltd. Likewise, on scrutiny of the audit report for A.Y. 2008-09 of M/s. Alfa Synthetics, it is observed that there were total creditors of Rs.5,25,92,189/- but no party-wise break-up of the credit amount was available with the audit report. Hence, it can not be ascertained whether Pamis Tex. Pvt. Ltd., was one of the creditors or not and if yes, what amount was due to it is also not in the audit report.*

9. On the other hand, the return of income for A.Y. 2009-2010 of M/s. Pamis Tex. Pvt. Ltd. generated from the ITD module is verified and it is seen that the said assessee has shown total debtors of only Rs.50,23,427/- as on 31.03.2009 whereas the present assessee i.e. M/s. Alfa Synthetics is showing, total creditors of Rs.5,44,65,103/- which includes Rs 4,96,27,261/- in the name of M/s. Pamis Tex. Pvt. Ltd. On comparing the credit balance in the balance sheet of present assessee and debtors balance in the books of M/s. Pamis Tex. Pvt. Ltd, the figures are not matching and the difference is also very huge. Moreover, on further verification of the break -up of debtors balance in the books of M/s. Pamis Tex. Pvt. Ltd., for A.Y.2009-10 it is noticed that M/s. Alfa Synthetics is not at all a debtor in the books of M/s. Pamis Tex. Pvt. Ltd., as there is no name of M/s. Alfa Synthetics in the list of debtors of M/s. Pamis Tex. Pvt. Ltd. as on 31.03.2009.

10. The ledger of M/s. Pamis Tex. Pvt. Ltd. in the books of M/s. Alfa Synthetics (Atlas) for A.Y.2009-10 sent by your- honour has also been verified. On verification of the ledger account of M/s. Pamis Tex. Pvt. Ltd, it is seen that there was opening credit balance of Rs. 5, 19,24,340/- and during the year the assessee had made payment of Rs.22,97,079/- keeping the closing balance of Rs. 4,96,27,261/-. Thus, at the end of the year, the closing credit balance in the name of M/s. Pamis Tex. Pvt. Ltd was Rs. 4,96,27,261/-. It is worthwhile to mention here that during the year, assessee had made payment of Rs.22,97,079/- and the entire payment was made through J.V. entries. In other words, during the year, the assessee received several cheque payments from different parties and these cheques were not deposited, in its bank account but the said cheques were directly endorsed to M/s. Pamis Tex. Pvt. Ltd., so in bank statement of M/s. Alfa Synthetics, the name of M/s. Pamis Tex. Pvt. Ltd. does not reflect.

For further verification, the return of income for A.Y. 2008-09 of M/s. Pamis Tex. Pvt. Ltd. has also been called for from the ITO, Ward 4(3)-I, Mumbai where it is assessed. On verification of the return of income of M/s. Pamis Tex. Pvt. Ltd. for A.Y. 2008-09, it is seen that there are total debtors are of Rs.2,11,32,426/- whereas Alfa Synthetics is showing total creditor of Rs.5,25,92,189/- as closing balance as on 31.03.2008 in its books. More importantly it is to be stated that M/s Alfa Synthetics is not a debtor in the books of M/s. Pamis Tex. Pvt. Ltd.

To sum up, closing balance of creditor as on 31.03.2008 in the books of M/s. Alfa Synthetics was Rs.5,25,92,189/- whereas in the books of M/s. Pamis Tex Pvt. Ltd. there was closing balance of debtors Rs.2,11,32,426/- and at the same time closing balance as on 31.03.2009 in the books of M/s. Alfa Synthetics was Rs.5,44,65,103/- (49627261 for Pamis) but in the books of M/s. Pamis Tex Pvt. Ltd. it was Rs.50,23,427/-. More important is that M/s. Alfa Synthetics is not a debtor of M/s. Pamis Tex Pvt. Ltd. Likewise M/s. Pamis Tex Pvt. Ltd. is not a creditor of M/s. Alfa Synthetics. M/s. Pamis Tex. Pvt. Ltd. and M/s. Alfa Synthetics had no business transaction between them. They have no relation as creditor and debtor. The liability raised in the books of M/s. Alfa Synthetics is a fabricated liability to evade taxes.

However, on going through the copies of purchase bills available in the records for A.Y. 2006-07, it reveals that the purchases by the assessee might have taken place in F.Y. 2005-06 and thereafter no purchase by the assessee would have

been made from M/s. Pamis Tex. Pvt. Ltd. and thereafter the credit balance was getting reduced as and when the assessee was making payment to M/s. Pamis Tex. Pvt. Ltd. by way of endorsement of other parties' cheques in favour of M/s. Pamis Tex. Pvt. Ltd.

11. In addition to above, to verify the authenticity of the creditors amount in the books of assessee, the necessary details were called for from a major creditor, namely M/s. Pamis Tex. Pvt. Ltd. which is said to have been situated at Silvasa by issuing a letter on 06.06.2012, but the same has also returned back unserved with remark, "there is no such party of this name, hence return back to the sender."

12. As per your honour's direction, the assessee was also provided on 06.06.2012 the return of income and audit report and requested it to give its comment/objection, if any, after verification of the same. Since no reply was received, one more letter was written to the assessee on 27.07.2012 requesting it to give its comments/objection, if any, on return of income and audit reports of M/s. Pamis Tex. Pvt. Ltd. but till date no any objection from the assessee has been received which reveals that the assessee has accepted the figures of return of income and audit report of M/s. Pamis Tex Pvt. Ltd.

2. Disallowance of Unexplained Payment to depositor-Rs.28,32,496/-

The AO, during the assessment proceedings, observed that the assessee had made repayment of unsecured loan of Rs. 28,32,496/- and therefore the assessee was asked to furnish evidences of the sources of fund from where the repayment was made. However, despite giving numbers of opportunities the assessee did, not furnish any evidence of sources of fund from where he had made payment. The AO had therefore, added the entire amount as unexplained payment. During the remand report proceedings, the assessee was again asked to produce names, address, PANs, contra accounts, ledger of the depositor for A.Y. 2009-10, but at this occasion also, he has failed to produce any of the above details to substantiate his claim of repayment of unsecured loans.

3. Addition on a/c of advances to supplier of Rs.1,39,31,025/-

The AO, during the assessment proceedings, observed that there was advances to supplier of Rs.1,39,31,025/- in the balance sheet for A.Y. 2009-10. For the sanctity of the same, the AO had asked for the names and addresses of the suppliers to whom advances were given. However, in spite of having given numbers of opportunities the assessee did not furnish names and addresses of suppliers. The AO had, therefore, added the entire amount as unexplained advances. During the remand report proceeding, the assessee was asked to produce names, address, PANs, contra accounts, ledger of the suppliers for A.Y. 2009-10, but at this occasion also he has failed to produce any of the above details to substantiate his claim of advances to suppliers of Rs. 1,39,31,025/-.

In addition to above if any further detail required, the same will be submitted for your honour's names and addresses of suppliers. The AO had, therefore, added the entire amount as unexplained advances. During the remand report proceeding, the assessee was asked to produce names, address, PANs, contra accounts, ledger of the suppliers for A.Y. 2009-10, but at this occasion also he

has failed to produce any of the above details to substantiate his claim of advances to suppliers of Rs. 1.39,31.025/-.

In addition to above if any further detail required, the same will be submitted for your honour's kind consideration”

(b) No.SRT/Wd-5(1)/Remand Report/AS/2012-13 Date 25.9.2012

"2. In continuation to earlier remand report dated 30.08.2012, in the above referred case, I would like to add additional comments which have been added here under.

3. In para 2.1, it is to be stated that during the assessment proceedings, the AO had called for contra account of the creditor namely M/s. Pamis Tex Pvt. Ltd. along with the other details for the year under consideration. However, the assessee failed to give the contra account from the books of M/s. Pamis Tex Pvt. Ltd. Therefore, the AO had generated copy of return of income of M/s. Pamis Tex Pvt. Ltd. for A.Y. 2009-10 from the ITD module. The AO had compared the figure of M/s. Pamis Tex Pvt. Ltd. and the present assessee i.e. M/s. Alfa Synthetics and it was found that in the books of M/s. Pamis Tex Pvt. Ltd., debtors were amounting to Rs.24,28,332/- (over six months old)and Rs.25,95,095/- (others). Thus, total debtors in the books of M/s. Pamis Tex Pvt. Ltd. were Rs.50,23,427/- only whereas in the books of the assessee, the assessee has shown creditor (M/s. Pamis Tex Pvt. Ltd.) payable of Rs.4,96,27,261/-. Thus, there was no matching of figures of creditors in the books of Alfa Synthetics & debtors in the books of M/s. Pamis Tex Pvt. Ltd. Therefore, the AO had come to the conclusion that the assessee firm has shown bogus outstanding balance in the name of M/s. Pamis Tex Pvt. Ltd. Thus, treated the creditor of Rs.4,96,27,261/- in the name of M/s. Pamis Tex Pvt. Ltd. as bogus one had added the same to the total income. Thus, it is crystal clear that the AO had already during the assessment proceedings itself proved the creditor of Rs.4,96,27,261/- was bogus one. In the remand report proceedings also, the assessee neither produced contra account from the books of M/s. Pamis Tex Pvt. Ltd. nor produced the creditor itself personally.

4. In the para No. 10 , I have reported that the ledger of M/s Pamis Tex Pvt Ltd from the books of Alfa Synthetics for A Y 2009-10 sent by your honour has been verified. I would like to add that this was only an analysis of the document submitted before you and sent to the undersigned. The genuineness of the said documents however was not established by the assessee, because nothing was produced from the books of M/s Pamis Tex Pvt Ltd. Nobody attended from M/s.Pamix Tex P Ltd to substantiate the claim of assessee. To prove the sanctity of the genuineness of the creditor i.e. M/s. Pamis Tex Pvt. Ltd., there require contra account, bank statement, sale bill of the concerned year, copy of belltes etc. but nothing was produced either by the assessee or submitted by M/s. Pamis Tex Pvt. Ltd. Even nobody attended from M/s. Pamis Tex Pvt. Ltd. During the assessment proceeding also the AO had found M/s. Pamis Tex Pvt. Ltd to be an inoperative unit and even today also the said unit is closed. In nut shell, the

ledger of M/s Pamix Tex P Ltd produced by the assessee from its books remains unsubstantiated . The claim of assessee that the creditor is genuine is not backed by any verifiable and independent evidence In fact, the contrary has been established by the AO by way of comparison with the return of income of the alleged creditor.

5. Similarly as regard the comment on purchase bill of A.Y.2006-07 it would be pertinent to add that the copies of purchase bills produced by the assessee which are not genuine. The purchase from the M/s. Pamis Tex Pvt. Ltd. can be considered genuine only if M/s. Pamis Tex Pvt. Ltd by production of copies of original sale bills, original bank statement, ledger of contra account of M/s. Alfa Synthetics and copies of bills none of which has been produced on behalf of the creditor nor by the assessee during any proceeding and therefore, in absence of all this documents/evidence, the purchase in the hands of the assessee cannot be treated as genuine. The assessee is pleading that it had made purchases from M/sJ Pamis Tex Pvt. Ltd. which are duly recorded in its books and it is not their fault, if M/s. Pamis Tex Pvt. Ltd. has not recorded corresponding sales in its books. The argument of the assessee is baseless because if any assessee claims that he has made some purchase transaction with some entity and entered the same in its books and claim the same in the P & L account/ return of income, then he has to produce all relevant details/ evidences to substantiate his claim of purchase. In such incident, it is onus of the assessee to prove the genuineness of the purchases by producing the relevant details from his books as well as the books of selling party. In this case the assessee in spite of having given numbers of opportunities failed to discharge its onus to produce the all relevant evidences from the books of M/s. Pamis Tex Pvt. Ltd or independently verifiable evidence.

To sum up I will again re-iterate that after verification of the documents and looking to the facts and circumstances of the case, Alfa Synthetics is not a debtor in the books of M/s. Pamis Tex Pvt. Ltd. and M/s. Pamis Tex Pvt. Ltd. is not a creditor in the books, of Alfa Synthetics and therefore the creditor as claimed by assessee is not genuine.”

10. The comments of the assessee in respect of remand reports has also been sought by the Id.CIT(A) it is contained in para 8.2 and the same is reproduced below:

“8.2 Copies of remand reports were given to the appellant.. The appellant's comments dated 15.10.2012 in respect of the remand reports are reproduced herein under :-

" With reference to the subject matter noted above, we for and on behalf of our aforesaid client, make the following humble submissions for the kind

consideration of your Honour as per the information , explanation and instructions, given to us.

FACTS OF THE CASE

2. The case of the assessee was selected for scrutiny. Notices were served on time The AR of the assessee attended the hearing before the learned AO and submitted the requisite details, In course of the assessment proceedings, the AO examined that the assessee had shown a trade creditor of Rs 5, 44, 65,103 in the name of M/s Pamis Tex Pvt Ltd. The AO requested confirmation of the same along with other details. The assessee submitted that as the creditor had gone out of India, the contra of the same from third party was not available from his end. The assessee submitted PAN of the creditor and the address of the creditor. The assessee also submitted copies of all purchase bills from the same party. The purchases pertained to preceding previous year. Further to this the assessee also submitted excise registration no.GVAT and CST no of the creditor which was readily available with the assessee. The assessee further expressed his inability to produce confirmation and requested the AO to directly call for confirmation using various powers as bestowed upon him by the Act.

The Ld AO added back the whole amount as unverifiable credit u/s 68 of the act.

3. In continuation of our previous submission we further submit as under :-

(a) The contention of the Ld AO for not accepting the additional evidence is erroneous. The assessee had given all details at the time of assessment proceedings. The AO had been provided the addresses of the creditor including the address of the factory of the creditor. The assessee had shown his inability to procure confirmation as he was not in contact with the creditor during assessment proceedings. The creditor was a third party and having no relation other than business relation with the assessee.

(b) Reply to para 8 of the remand report The Ld contended that the audit report of Alfa Synthetics does not have the name of the creditor ie Pamis Tex P Ltd In respect of above we would like to submit that the AO was given detailed break-up of creditor along with PAN and address assessment proceedings.

(c) Reply to para 9 of remand report

The assessee had produced full set of bills of purchase with PAN. GST, CST, address of factory and registered office address of the creditor. Copy of original bills were produced before the L.d. AO during remand proceeding and copies were also submitted to this office. The ITD module is an internal document of the department and the same was not produced before us for but the fact that even the A Y 2009-10 module of the creditor does not have the name of the assessee in its list of debtors goes a long way in proving that the creditor may have not shown the sales to the assessee in his books of accounts or that the creditor may

have squared up his accounts in the preceding previous year i.e. A Y 2009-10 or preceding years. For a moment if this probability of this possibility is accepted then also the addition as termed in the current year cannot be made as the issue related to preceding previous year and not to the year under appeal.

As per contention of the AO if the amount of debtors is not in the opening books of the creditor the issue does not relate to the year in concern and hence addition cannot be made at least in the year in concern.

It is further submitted that original bills were produced before the Ld. AO. Copies of the bills were submitted to the file of the AO. Copies of such bill are reproduced before your office. A mere reading of the bills show that the bills are complete Original bill are again reproduced before yourself. The opening ledger balance of the creditor was Rs 5,19,24,340/- were in the assessee had made payment of Rs.22, 97, 079 . Resulting in a closing balance of Rs 4, 96, 27,261. In short the only transaction made in the year was a repayment of Rs 22,97,079. In short if at all an adverse inference can be drawn it can only drawn on the payment made to the creditor nothing more and nothing less.

Going a step further was 4 (3)(1) Mumbai verified the return of the creditor for AY 2008-09 i.e. two years preceding the year in concern. Even in the year in concern there exist disparity in debtors as per the creditor and creditor as per the assessee. In short the carried forward creditor as per the books of the assessee cannot be subject to addition for the year in concern.

In the last stanza to point no 10, which is reproduced as under: (BLANK PORTION)

The Ld. AO himself admits that reason as to why the amount is not shown in the books of the creditor as per the presumption of the Ld. AO the assessee made have been making payment by endorsing cheques in favour of the creditor. Wherein the addition made is made u/s.68 of the whole amount of outstanding. Thus, there exist huge disparity between the resumption of the Ld. AO and the action taken by the AO its order. If for a moment the presumption of the Ld AO is accepted then also the addition would be only of Rs.22,97,079/- and not of the total outstanding as added by the Ld AO in its assessment order.

II. ADDITION OF REPAYMENT OF UNSECURED LOAN OF Rs 28,32,496

The assessee had repaid an unsecured loan to the tune of Rs 28,2,496. The liability of Rs 28, 32,496 is not a liability as on 31.3.2009. Repayment is done by account payee cheque and hence the question of disallowance does not arise.

III. ADDITION OF RS. 1,39,31,025 OF ADVANCE TO SUPPLIERS:-

The above amount represents advance paid to supplier and represent asset of the firm in its balance sheet Even if for a moment it is accepted that details of the same were not furnished during assessment proceedings, by no stretch of

imagination can an outstanding asset (advance) be added to the income of the assessee.....”

11. Thereafter, again another remand report for the third time was received by Id.CIT(A) which is contained in para 9.1 and the same is reproduced below. The Id.CIT(A) further sought comments of the assessee to in respect of third remand report which is contained in para 9.2 and is reproduced below:

“9.2 The appellant’s comments in respect of the same were received on 01.08.2013. the same are reproduced herein under:-

” 2. The case of the assessee was selected for scrutiny. Notices were served on time. The AR of the assessee attended the hearing before the learned AO and submitted the requisite details. In course of the assessment proceedings, the AO examined that the assessee had shown a trade creditor of Rs. 5, 44, 65,103 in the name of M/s Pamix text Pvt Ltd . The AO requested confirmation of the same along with other details. The assessee submitted that as the creditor had done out of India, the contra of the same from 3rd party was not available from his end. The assessee also submitted copies of all purchase bills from the same party. The purchases pertained to preceding previous year. Further to this the assessee also submitted excise registration no. GVAT and CST no of the creditor which was readily available with the assessee . The assessee further expressed his inability to produce confirmation and requested the AO to directly call for confirmation using various powers as bestowed upon by the Act. The Ld AO added back the whole amount as unverifiable credit u/s 68 of the Act.

3. In continuation of our previous submission we further submit as under I. Reply to query no. 1 of remand report regarding addition of Rs 13931025 of advance to suppliers.

(a) Reply' to query about reduction of opening balance of Rs 24370518 to Rs. 1,39,31,025/-

The above amount represents advance paid to supplier and represent asset of the firm in its balance sheet. The assessee had submitted that the advances to supplier is in fact our" debtors \ There are some transactions of purchases, sales JV and bank from such parties. Copies of ledger account of parties covered under the above mention head were submitted to the file of Ld AO. Copies of such ledger account are reproduced before you The reduction is due to sales, purchase and normal business transaction including. Hence, it is more like ' Debtors ' and not ¹ Advance to suppliers ' as wrongly shown in the audit report.

Thus adding back the asset of the assessee (debtors) for want of evidence is a very far stretch aspect.

(b) *Reply to query about in which section above addition was made The Ld contended that the assessee had created bogus ' advances to suppliers' and thereby equalized the assets and liabilities side of the balance sheet. In respect of above we would like to submit that the accounting policy is based on double accounting system'and all transactions have been gone through by debit and credit entries in books. If there is liability by some figure then such figure must be effected asset side of the balance sheet. Hence, every entry must be equalized the credit and debit side of the balance sheet. The contention that a bogus asset was created to compensate a bogus liability goes a long way in self explaining the bigger addition of Rs 5, 44, 52, 103. Even, if for a moment, it is accepted that bogus debtor was created to compensate for bogus creditor, the core issue arise does such act though cannot pass the test of legality, in anyway affect the real taxable income of assessee. What can be tax is the real income. It would be outside the tax net to tax an alleged bogus debtor of an alleged bogus liability unless it was any given point of time income of the assessee for the year in concern (copy of ledger attached)*

II. *Reply to query no. 2 of remand report regarding purpose of loan of Rs 60, 83,406/-.*

The assessee had submitted that secured loan of Rs 60,83,406/- is a cash credit loan from Memom Co-op Bank Ltd. The loan is an old cash credit loan taken for the purpose of business.

III. *Reply to query no. 3 of remand report regarding addition of repayment of unsecured loan of Rs 28, 32, 496/-*

The assessee had repaid an unsecured loan to the tune of Rs 28, 32, 496/- The liability of Rs 28, 32, 496/- is not a liability as on 31. 3. 2009. Repayment is done by account payee cheque and hence, the question of disallowance of non - existent liability does not arise.

IV. *Reply to query no. 4 of remand report regarding address of firm and partner.*

In this regard, we would like to submit that the address of factory, office and partners are correct. It is true that the business operations of the firm are suspended for the moment but the partners are very well traceable.

V. *Reply to query no. 5 & 6 of remand report regarding addition of unverifiable creditors of Rs 4,96,27,261/-.*

a. *The contention of the Ld AO for not accepting the additional evidence is erroneous. The assessee had given all details at the time of assessment proceedings. The Ld AO had been provided the addresses of the creditor including the address of the factory of the creditor. The assessee had shown his inability to procure confirmation as he was not in contact with the creditor during assessment proceedings. The creditor was a third party and having no relation other than business relation with the assessee.*

b. *Reply to query regarding flood effect on books of account :-*

In this regard, we would like to submit that the original bills was keep at the factory of the assessee and books of accounts was maintain at the office of the assessee. The assessee was a registered excise assessee and hence, as per the excise law the bills with a restricted list of purchases from Pamix Textiles was produced before yourself, c. Reply to query regarding details about M/s Pamix Tex P Ltd

The assessee had produced full set of bills of purchase with PAN GST CST, address of factory and registered office address of the creditor. Copies of original bills were produced before the Ld AO during remand proceedings and copies were also submitted to this office.

It is further submitted that original bills were produced before the Ld AO. Copies of such bill are reproduced before your office. A mere reading of the bills show that the bills are complete . Original bills are again reproduced before yourself. The opening ledger balance of the creditor was Rs 5,19,24,340 were in the assessee had made payment of Rs 22,97, 079 . Resulting in a closing balance of Rs 4,96,27,261. In short the only transaction made in the year was a repayment of Rs 22, 97, 079. In short if at all an adverse inference can be drawn, if can only drawn on the payment made to the creditor nothing more and nothing less.

Further we have submitted the ledger copy of five parties to whom we have sold goods and the payment so received from the five debtors was directly paid to M/s Pamix Tex P Ltd We have also mentioned the reason why the assessee had made payment to M/s Pamix Tex P Ltd that the assessee firm was using full cash credit facilities of the bank and any deposit of such cross cheque received from debtors in the bank a/c of the assessee would amount to the bank reducing his excess overdraft and would also amount to delay of two days clearing time as during such period there always remains pressure from M/s Pamix Tex P Ltd to pay all dues immediately.

VI Reply to query no. 7 of the remand report regarding requirement of section 41(1)

Sec. 41(1) applies where a trading liability was allowed as a deduction in earlier year in computing business income and the assessee has obtained benefit in respect of such trading liability • in later year by way of remission or cessation of the liability.

In this regard, we would like to submit that the assessee had purchased goods from M/s Pamix Tex P Ltd in A Y 2006-07 and made whole payment of outstanding amount in subsequent years. This is not a case of remission or cessation of trading liability the assessee has made the whole payment to M/s Pamix Tex P Ltd . Hence the point of attraction of sec. 41(1) does not arise.

VII. Reply to query no. 8 of remand report regarding action u/s 148

As per the instruction received from the assessee, no action u/s 148 has been initiated for any other year in concern by the AO”

12. From the cumulative reading of all remand report and the reply filed by the assessee and the arguments submitted before us, we find that Id.CIT(A) had discussed in detail in para 10.6 as its order with regard to the amount received from Pamis Tex Pvt. Ltd. Thus, after examining the same had rightly concluded that apparently the assessee was not debtor in the books of M/s.Pamis Tex Pvt. Ltd., as on 31.03.2009 thus, had reached to two possibilities i.e. either the claim of purchase by assessee from M/s. Pamis Tex Pvt. Ltd., is bogus or unaccounted payment has been made to M/s.Pamis Tex Pvt. Ltd., in A.Y. 2006-07 and A.Y. 2007-08. In any of those situations, the income chargeable to tax pertained to A.Y. 2006-07 and A.Y. 2007-08 and since the same has escaped assessment. Therefore, the same was required to be made in A.Y. 2006-07 and 2007-08. Therefore, considering all those facts it was directed to the AO u/s.150(1) of the I.T.Act to issue notice u/s.148 for A.Y. 2006-07 and A.Y. 2007-08 and add unaccounted payment pertaining to each year in that assessment year. Accordingly, the Id.DR appearing on behalf of the Revenue also stated at BAR that the assessment years for A.Y. 2006-07 to 2007-08 have already been reopened and respective additions have already been made in those years. The said fact has also been confirmed by the assessee at BAR.

13. Since both the parties have agreed that additions have already been made in the respective assessment years i.e. 2006-07 and 2007-

08, therefore, there is no cause left before the ld.DR to challenge this finding recorded by the ld.CIT(A) in this assessment year as the order passed by ld.CIT(A) has already been complied with and now there is no loss to the Revenue. Even otherwise, the ld.DR has failed to substantiate its argument as to how and in what manner the order passed by the ld.CIT(A) on this ground is not sustainable in Law or what impropriety has been committed by the ld.CIT(A). No new facts or circumstances have been brought before us in order to controvert or rebut the findings recorded by ld.CIT(A). Therefore, we find no reasons to interfere or deviate from the lawful findings so recorded by ld.CIT(A), thus we upheld the same and dismiss this ground of appeal.

14. Ground No.2: This ground raised by the Revenue challenging that the ld.CIT(A) has erred in deleting the addition of Rs.28,32,496/- regarding unexplained repayment towards unsecured loans despite the fact that the sources and nature of the amount of repayment of the same were not proved despite repeated opportunities.

15. During the course of assessment proceedings the ld.Authorised Representative(AR) of the assessee asked to explain the source of repayment of unsecured loan of Rs.28,32,496/- which was shown in preceding year but paid during the year under consideration. It was held by the ld.AO that the assessee firm or ld.AR of the assessee has not filed any explanation. And it was further held by the ld.AO that since

neither the assessee nor the Id.AR could file any explanation or reply, therefore, it is clear that the assessee firm has paid the said amount from its undisclosed sources, therefore, an addition of Rs.28,32,496/- was made by the AO on account of unexplained repayment of unsecured loans.

16. We have heard the Counsels of both the parties, we have perused the material placed on record and orders passed by the Revenue Authorities. Before we decide the merits of this ground, it is necessary to evaluate order passed by the Id.CIT(A). The operative portion is contained in para no.10.2 same reproduced below:

“10.2 As regards the ground no.2, this addition of Rs.28,32,496/- pertains to repayment of unsecured loans. The repayment of loans means there has been a reduction in the liability and unless there is an evidence that this repayment has been made out of ‘unaccounted income’, no addition can be made. If the assessing officer felt that ‘unsecured loans’ were bogus, the corresponding addition was required to be made in the year in which, the unsecured loans were taken. In any case, the addition for this repayment cannot be made since, the repayment has been made by way of account payee cheques as submitted by the appellant and routed through bank account of the appellant. Consequently, the ground no.2 of the appeal is also allowed in favour of the appellant and the addition made by the assessing officer is deleted.”

17. After having gone through the order passed by the Revenue Authorities and having heard the Counsels at length, we find that the AO had made addition on the ground that assessee failed to file any explanation during the course of assessment in respect of repayment or unsecured loan of Ra.28,32,496/- whereas during the appellate proceedings, the assessee has filed all required documents which have

already been got verified by Id.CIT(A) by seeking Remand Report from the AO which established that the entire loan has already been repaid by the assessee. Thus, the Id.CIT(A) rightly concluded that the repayment of the loan mentioned that there had been reduction in the liability and unless there is an evidence that these repayment has been bade out of unaccounted income, no addition can be made. It was also held that if the AO feel that unsecured loans were bogus, then in that eventuality the corresponding addition was required to made in the year in which the unsecured loans were taken. No new facts or circumstances have been brought before in order to controvert or repaid the factual findings so recorded by the Id.CIT(A). In the light of above, we do not find any infirmity in the order of Id.CIT(A), accordingly same is upheld, consequently Ground No.2 of appeal of the Revenue is dismissed.

18. Ground No.3: This ground raised by the Revenue challenging that the Id.CIT(A) has erred in deleting the addition of Rs.1,39,31,025/- in respect of unexplained advances to suppliers despite the fact the nature and genuineness of the transaction was not proved by the assessee either during the course of assessment proceedings or during the remand proceedings.

19. During the assessment proceedings the Id.AO held that the assessee has made repayment of unsecured loan which was outstanding

in previous year, but not explained the source of repayment, therefore it is clear that the said amount was paid by the assessee firm from its undisclosed source or from conceal income for that reason penalty proceeding u/s.271(1)(c) of the IT Act was initiated separately. The ld.AO further stated that on verification of balance sheet it is found that the assessee has shown an amount of Rs.1,39,31,025/- as Advance to Supplier. Therefore, during the course of assessment proceeding vide letter dated 29.11.2011 and vide order sheet entry dated 14.12.2011 the assessee was requested to submit name and complete current address of the supplier to whom firm has given advantages. The ld.AO found that till date the assessee firm has not furnished the list of suppliers to whom the firm has paid Advances. The assessee firm has not furnished the name and address of the suppliers. Therefore, in absence of the material evidences it is not possible to vary whether the advances shown by the assessee is genuine or not. He further submitted that the ld.AR has failed to discharge their onus, hence, it is clear that this is not an Advance to suppliers but it is an explained investment of the assessee in the form of advances to suppliers. Accordingly, addition of Rs.1,39,31,025/- is made on account of unexplained advances to the suppliers.

20. On the other hand, the ld.Authorised Representative(AR) relied upon the order passed by the ld.CIT(A).

21. We have heard the Counsels of both the parties, we have perused the material placed on record and orders passed by the Revenue Authorities. Before we decide the merits of this ground, it is necessary to evaluate order passed by the Id.CIT(A) on this ground and the same is contained in para no.10. However, the operative portion is contained in para no.10.1 as below:

“10.1 As far as ground number 3 related to an addition of Rs.1,39,31,025/- is concerned, this ground pertains to advance to suppliers. In the comments filed on 01.08.2013, the appellant has mentioned this is not an advance to supplier but in fact, debtors of the appellant and the audit report has wrongly mentioned it as advance to suppliers. Whether the amount represents advance to suppliers or debtors the fact that this is an item on the asset side of the balance sheet. If the assessing officer doubted the source of these payments, the addition should have been made of the corresponding liability which has been used to finance this advance. In no case, an item on the asset side of the balance sheet can be added in the hands of the appellant unless, the corresponding liabilities to finance the asset has been found to be bogus. Consequently, the addition of Rs.1,39,31,025/- is deleted and the ground no. 3 is allowed in favour of the appellant.”

22. After having gone through the order passed by the Revenue Authorities and having heard the Counsels at length, we find that the additions were made by the AO on the ground that during the course of assessment proceedings, the assessee could not furnish the list of suppliers to whom the firm had paid advances, thus, additions were made. Although, during the appellate proceedings the Id.CIT(A) has sought Remand Reports from the AO and after appreciating said factual findings had rightly concluded that in comments filed dated 01.08.2013 the assessee has mentioned that the above amount is not advanced to the supplier, but in fact debtors of the assessee and the audited report has wrongly mentioned it as advance to suppliers. Therefore, in such

circumstances it was rightly concluded by the Id.CIT(A) the if AO doubted the source of these payments, the addition should have been made of the corresponding liability, which has been used to finance this advance. In any case, an item on the asset side of the balance sheet can be added in the hands of the assessee unless the corresponding liability to finance the asset has been brought found to be consequently the additions were rightly deleted. In the light of above, we do not find any infirmity in the order of Id.CIT(A), accordingly same is upheld, consequently Ground No.3 of appeal of the Revenue is dismissed.

23. In the result, appeal of the Revenue is dismissed.

24. Order pronounced in the open court on 13-12-2019.

Sd/-

(O.P.MEENA)

(लेखा सदस्यतथा/ACCOUNTANT MEMBER)

Sd/-

(SANDEEP GOSAIN)

(न्यायिक सदस्यकेसमक्ष /JUDICIAL MEMBER)

सुरत/ **Surat**, दिनांक **Dated:** 13th December, 2019 / S.Gangadhara Rao, Sr.PS

Copy of order sent to- Assessee/AO/Pr. CIT/ CIT (A)/ ITAT (DR)/Guard file of ITAT.

By order

/ / **TRUE COPY** / /

Assistant Registrar, Surat