

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'C', NEW DELHI**

**Before Sh. Kul Bharat, Judicial Member
Dr. B. R. R. Kumar, Accountant Member**

ITA No. 8052/Del/2018 : Asstt. Year : 2010-11

Gravity Developers P Ltd, E-464, 1 st Floor, Greater Kailash-II, New Delhi	Vs	ITO, Ward010(3), New Delhi
(APPELLANT)		(RESPONDENT)
PAN No. AACCC5967D		

**Assessee by : Sh. None
Revenue by : Sh. Abhishek Kumar, Sr. DR**

Date of Hearing: 18.11.2022	Date of Pronouncement: 18.11.2022
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ORDER

Per Dr. B. R. R. Kumar, Accountant Member:

1. The present appeal has been filed by the assessee against the order of the Id. CIT(A)-4, New Delhi dated 02.11.2018.

2. The assessee has raised the following grounds of appeal:-

"1. *That on the facts and circumstances of the case, the order dated 2nd November'2018 passed by the learned Commissioner of Income Tax (Appeals) ['CIT(A)'] is without judicious appreciation of the facts and position in law, and thus, erroneous insofar as the same upholds the order dated 21.12.2017 passed by the Assessing Officer ['AO'].*

2. *That the Ld. CIT(A) grossly erred in upholding the validity of initiation of proceedings under section 147 of the Income-tax Act, 1961 ['Act'] even when the assumption of jurisdiction under section 147 of the Act in this case is bad in law and hence the reassessment proceedings are void ab initio.*
3. *That the Ld. CIT(A) grossly erred in upholding the validity of initiation of proceedings under section 147 of the Act even when the assumption of jurisdiction under section 147 of the Act in this case was based on borrowed satisfaction without any independent enquiry being conducted by the AO to form the belief that income had escaped assessment.*
4. *That the Ld. CIT(A) erred on facts and in law in not appreciating that there was no valid reason assigned by the AO in the purported 'reasons to believe' and the reasons recorded by the AO were based on conjectures and surmises. The proceedings so initiated were illegal, bad in law and without jurisdiction.*
5. *That the Ld. CIT(A) erred on facts and in law in not considering that the reasons recorded in the case are merely based on suspicion and do not amount to reasons within the meaning of section 147 and hence, the reopening is bad in law and the assessment so framed deserves to be quashed.*
6. *That the Ld. CIT(A) erred on facts and in law in confirming the addition of Rs.50,00,000/- under section 68 of the Income Tax Act made by the AO treating it as the unexplained income of the Appellant without appreciating that the appellant was not confronted by any material used against it by the AO which is a gross violation of the rules of natural justice.*
7. *That the Ld. CIT(A) erred on facts and in law in confirming the addition of Rs.50,00,000/- under section 68 of the Income Tax Act made by the AO treating it as the unexplained income of the Appellant allegedly on the ground that the transactions involving receipt of Share Application Money by the Appellant are arranged*

transactions to introduce its own unaccounted money even when the assessee had discharged its onus to prove the identity and creditworthiness of the share applicants and the genuineness of the transaction.

8. *That the Ld. CIT(A) erred on facts and in law in confirming addition of Rs. 90,000/- on account of alleged commission paid by the Appellant during the relevant year under consideration, without appreciating that no such expenditure was ever incurred by the appellant nor any evidence was ever brought on record by the AO and the addition was made solely on the basis of suspicion, surmises and conjecture"*

3. The Assessee has filed Form No. 5 reflecting that tax arrears Rs. 3025349/- issued by Ld. Pr. CIT, Delhi dated 08.11.2021. In view of the settlement of the appeal by VSVS therefore, the appeal of the Assessee is dismissed as withdrawn.

Order Pronounced in the Open Court on 18/11/2022.

Sd/-

(Kul Bharat)
Judicial Member

Dated: 18/11/2022

Ajay Kumar Keot, Sr. PS

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-

(Dr. B. R. R. Kumar)
Accountant Member

ASSISTANT REGISTRAR