

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

BEFORE SHRI N.K. BILLAIYA, ACCOUNTANT MEMBER, AND  
SHRI KUL BHARAT, JUDICIAL MEMBER

ITA No. 2089/DEL/2019 [A.Y 2014-15]

The A.C.I.T  
Circle -1  
Faridabad

Vs.

Shri Kali Charan Sharma  
F - 193, Hari Nagar Extn.  
Badarpur, New Delhi

PAN : APGPS 7066 F

(Applicant)

(Respondent)

Appellant by : Shri Lokesh Gupta, CA

Department By : Shri R.K. Jain, Sr. DR

Date of Hearing : 23.08.2023

Date of Pronouncement : 23.08.2023

**ORDER**

**PER N.K. BILLAIYA, ACCOUNTANT MEMBER:-**

This appeal by the Revenue is preferred against the order of the  
ld. CIT(A) -10 New Delhi dated 10.12.2018 pertaining to Assessment Year  
2014-15.

2. The sum and substance of the grievance of the Revenue is that the ld. CIT(A) erred in deleting the addition of Rs. 3,17,20,368/- being non-genuine sundry creditors.

3. Briefly stated, the facts of the case are that during the course of scrutiny assessment proceedings, the assessee was asked to furnish evidences in respect of 11 creditors, who, in the opinion of the Assessing Officer, appeared to be non-genuine.

4. On receiving no plausible reply alongwith any documentary evidences, the Assessing Officer made addition of Rs. 3,17,20,368/-.

5. When the matter was agitated before the ld. CIT(A), it was explained that there were duplicate entries, which resulted into double addition. It was further explained that in most of the creditors, there were opening balances and opening balances cannot become income of the assessee for the year under consideration.

6. In so far as the evidences are concerned, the assessee filed documentary evidences to prove to prove the genuineness of the creditors. On perusal of the documentary evidences, the Id. CIT(A) was of the opinion that since the corresponding sales have been accepted, genuineness of the creditors cannot be doubted with and deleted the addition.

7. When the appeal came up for hearing before this Bench on 04.08.2022, this Bench asked the Id. DR to call for remand report from the Assessing Officer. Today, the Id. DR submitted the report of the Assessing Officer dated 09.09.2022. A perusal of the same shows that the Assessing Officer concluded as under:

*“It is observed that the transactions are proved to be genuine and the assessee has already cleared the payment of creditors in the subsequent year F.Y. 2016-17. Therefore, the credit worthiness of the sundry creditors is proved to be genuine.”*

8. Since in the remand report the Assessing Officer has accepted the genuineness of the creditors, we do not find any reason to interfere with the findings of the ld. CIT(A).

9. In the result, the appeal of the Revenue in ITA No. 2089/DEL/2019 is dismissed.

The order is pronounced in the open court on 23.08.2023.

Sd/-

[KUL BHARAT]  
JUDICIAL MEMBER

Sd/-

[N.K. BILLAIYA]  
ACCOUNTANT MEMBER

Dated: 23<sup>rd</sup> August, 2023.

VL/

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar,  
ITAT, New Delhi

Date of dictation	
Date on which the typed draft is placed before the dictating Member	
Date on which the typed draft is placed before the Other Member	
Date on which the approved draft comes to the Sr.PS/PS	
Date on which the fair order is placed before the Dictating Member for pronouncement	
Date on which the fair order comes back to the Sr.PS/PS	
Date on which the final order is uploaded on the website of ITAT	
Date on which the file goes to the Bench Clerk	
Date on which the file goes to the Head Clerk	
The date on which the file goes to the Assistant Registrar for signature on the order	
Date of dispatch of the Order	