

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

BEFORE SH. MAHAVIR SINGH, VICE PRESIDENT

AND

SH. NAVEEN CHANDRA, ACCOUNTANT MEMBER

ITA No.3200/Del/2018
Assessment Year: 2013-14

ITO WARD-14(4) New Delhi	Vs .	Kross Diamonds Pvt. Ltd. B-45/47, Basement Connaught Place, New Delhi PAN No.AADCK3002A
(APPELLANT)		(RESPONDENT)

ITA No.2886/Del/2018
Assessment Year: 2013-14

Kross Diamonds Pvt. Ltd. B-45/47, Basement Connaught Place, New Delhi PAN No.AADCK3002A	Vs .	ITO WARD-14(4) New Delhi
(APPELLANT)		(RESPONDENT)

ITA No.3201/Del/2018
Assessment Year: 2014-15

ITO WARD-14(4) New Delhi	Vs .	Kross Diamonds Pvt. Ltd. B-45/47, Basement Connaught Place, New Delhi PAN No.AADCK3002A
(APPELLANT)		(RESPONDENT)

ITA No.2966/Del/2018
Assessment Year: 2014-15

Kross Diamonds Pvt. Ltd. B-45/47, Basement Connaught Place, New Delhi PAN No.AADCK3002A	Vs .	ITO WARD-14(4) New Delhi
(APPELLANT)		(RESPONDENT)

Appellant by	Sh. M.P. Rastogi, Advocate Sh. Deepak Malik, Advocate Sh. Shivam Malik, Advocate
Respondent by	Sh. Dayainder Singh Sidhu, CIT DR

Date of hearing:	27/11/2024
Date of Pronouncement:	18 /12/2024

ORDER

PER MAHAVIR SINGH, VP:

1. These four cross appeals are arising out of two different orders of CIT(A)-18, New Delhi in Appeal Nos- 18/10051/2017-18 & 18/10052/2017-18 vide orders of even date 10.01.2017. The assessments were framed for both the Assessment Years 2013-14 and 2014-15 by the Income Tax Officer, Ward -14 (4), New Delhi u/s. 143 (3) of the IT Act, 1961 (hereinafter referred as "Act") vide his order of same dated 19.12.2016.

2. The issues and facts are identical in these four cross appeals and grounds raised are almost identical. Hence, will take facts from A.Y.2013-14 and decide mainly the issues on the facts of A.Y.2013-14.

ITA No.2886 and 3200/Del/2018 for A.Y. 2013-14.

3. The first common issue in these two cross appeals is as regards to the order of the CIT(A) deleting the addition made by the AO of unverifiable purchases u/s. 69C of the Act and restricted the addition by estimating commission/ profit @0.25% on alleged cash sales. For this revenue has raised the following ground No.1 as under:

“1. Whether the Ld. CIT(A) was correct, on facts and in law, in deleting the addition made by the AO u/s. 69 C of the Act in respect of the unverifiable purchase made by the assessee?”

4. For this assessee has raised ground No.1 as under :-

“1. That in view of facts and circumstances of the case and in law the CIT(A) erred in estimating profit @ 24,28,427/- i.e. @ 0.25% on cash sales alleging “that the appellant might have been compensated by paying some amount in the form of commission over and above the value of transaction” on presumption and without any corroborative evidence, therefore, the same is arbitrary, unjust, bad in law and deserved to be deleted.”

5. Brief facts of the case are that the assessee company is engaged in the business of import and sales of diamonds. It filed its return of income for the relevant A.Y. 2013-14 on 28.09.2013 and assessee’s case was selected for scrutiny

assessment by issuing notice u/s.143(2) of the Act consequently, assessment proceedings were taken up. The assessee filed the required details. The AO during the course of assessment proceedings noticed from the books of accounts that the assessee has made total sales during the year amounting to Rs.97,13,70,670/-. The AO noted that the assessee has made huge cash sales during the year on examination of sale register, stock register and cash book of the assessee. The AO on perusal of the sales register, stock register and cash book noted that the opening stock value as on 01.04.2013 as per balance sheet is Rs.114,62,13,221/- and there is no sale made in the month of April, May, June, July and August, 2013. Thereafter, on 17.09.2012, the assessee sold diamond of Rs.1,19,96,662/- in cash. This sale has been made through 79 cash sale vouchers. The AO examined the pattern of sale made in cash from books of account for the whole year. The cash sale transaction of single voucher never exceeded of Rs.2 lacs and they are varying sales vouchers i.e. minimum 132 and maximum 270 on single day. In view of these peculiar facts, the AO required the assessee, vide show-cause notice dated 13.12.2016, as to why purchases to the extent of cash sales i.e. Rs.97,13,70,670/- be not treated as unexplained expenditure under u/s. 69C of the Act. The assessee vide letter dated 19.12.2016 explained that the assessee has made cash sale transactions of various customers but the cash sale transaction made against a single invoice is less

than Rs.2 lacs and all the sales and purchases are recorded in the books of account i.e. cash book, sale register and stock register. It was contended that the cash was deposited into the bank account. The assessee explained the source of cash purchases and the all the purchases are recorded in its book of accounts. The assessee has produced all the bills/ vouchers, import bills, bills of entry, airlines bills etc. and all the purchases were made through account payee cheque/ RTGS etc. In view of the above, the assessee stated that since all the purchases are made within the provision of law and hence no disallowance is warranted u/s. 69C of the Act. The AO was not convinced with the explanation of assessee and held that the source of money for making purchase is purely through cash sales and hence genuineness of these cash sales is not supported by the circumstantial evidences. Hence, he notifying the instances of cash sales made addition of Rs.97,13,70,670/- tried to explain that the assessee has no man power to handle volume of sales and brought out that the assessee has only following two premises :-

***“Registered and head office B-45/47, Basement
Connaught Place, New Delhi-110001***

***Branch office - 204 Nishit Diamond Complex 5/1129-
30, Contractor Khancho Behind Word Diamond
Centre, Hatfalia Haripura, Surat - 395003”***

6. The AO also examined the details of employees working with the assessee company during the year and

he brought out that there are only 10 employees and particularly sales man are only 4 or 5.

7. He estimated the working hours and then considering the human probability noted that the cash sales shown in the books of accounts is unverifiable and hence he added this sum u/s. 69 C of the Act by observing in para 4.6 as under :-

“4.6 In view of the above mentioned it is hard to believe that different persons came and purchase separately the diamonds for less than 2,00,000/- each. Therefore, as per Hon’ble Supreme Court decision in the case of Sumati Dayal (supra), Commissioner of Income Tax v. Durga Prasad More (1971) 82 ITR 540 and CIT Vs. P. Mohanakala 291 ITR 278 genuineness of these cash sales has not been established and therefore source of receipt which the assessee claims from cash sales and which has been used for making purchases and other expenses, has not been established. Therefore, explanation filed by the assessee cannot be treated as satisfactory and therefore expenditure incurred by the assessee for making purchases and other expenses to the extent of cash sale shown in the books of Rs.97,13,70,670/- is deemed to be the income of the assessee for A.Y.2013-14 u/s. 69C of the Act.”

Aggrieved assessee preferred appeal before the CIT(A).

8. The CIT(A) after considering the submissions of the assessee restricted the addition in the form of commission over and above the value of transaction and accordingly estimated the additional income @ 0.25% of

total cash sales and deleted the addition of cash sales in para 4.3.2 as under :-

“4.3.2. On perusal of the complete facts of the case and the documents obtained during the course of appellate proceedings, it is observed that the AO has taken adverse view of the large amount of cash sales of diamonds made by the appellant at Surat with the deployment of limited number of employees and also the deposit of sale proceeds in cash in the bank account at Delhi. At the same time, it is also noticed that the appellant is regularly engaged in the sale and purchase of diamonds including large amount of cash sales of diamonds. The AR has submitted that the appellant had made cash sales of Rs. 66.78 crores, Rs. 677.55 crores, Rs. 977.55 crores, Rs. 108.85 crores during the AYs 2009-10 to 2012-13 respectively and the AO has accepted these cash sales without taking any adverse view. The AO has analyzed from the number of transactions of cash sales made per day that it is not possible for the appellant to make the number of transactions of cash sales shown by the appellant with the limited number of staff available at its disposal at Surat office. But it is also to be noted that there is no evidence to doubt the veracity of cash sales itself. There is force in the contentions of the AR regarding the purchases duly recorded in the books of account and the non-rejection of the books of account by the AO. It is also noted that there is no variation in the manner of conducting business by the appellant in this year and similar transactions in earlier years have been accepted by the AO. The purchases have been duly recorded in the books of account and day to day stock register has been maintained. The Purchases have not been doubted by the AO and the books of account have been accepted not only for this year but in earlier years also when similar transactions were done by the appellant. Moreover, it is not correct on the part of AO to accept one part of the books of account and reject the other part i.e. rejection of sales but acceptance of purchases and other entries in the books of account is not a prudent

decision. The source of purchases made by the appellant is duly recorded and is supported by valid documents. In view of these facts, I am of the opinion that there is no reason to treat the source of purchases made by the appellant as unexplained. However, from the issues raised by the AO, it appears to me that the appellant has split large value cash sale transactions into a number of small value transactions (with each transaction restricted to below Rs. 2 lakhs) in order to avoid mandatory requirement of obtaining PAN and other identity-details of its customers. This must have been done by the appellant in collusion with its customers for which the appellant might have been compensated by the customers by paying some amount in the form of commission over and above the value of the transaction. In the absence of any details, I am inclined to estimate the additional income earned by the appellant @ 0.25% of the total cash sales of Rs.97,13,70,670/-, which comes to Rs.24,28,427/-. Accordingly, the addition made by the AO is restricted to Rs.24,28,427/- and the balance addition is deleted. The grounds of appeal are thus, partly allowed.”

9. Aggrieved against the order of CIT(A) on deletion of addition of cash sales of Rs.97,13,70,670/-, revenue came in appeal as against the addition of estimation of commission over and above value of transaction @ 0.25% assessee came in appeal. The relevant grounds here in above.

10. Before us the ld. Counsel for the assessee argued that the CIT(A) erred in estimating the commission over and above the value of transaction of cash sale by estimating @ 0.25% of the total cash sales. He stated that there is no basis for such addition and even AO has

not made this addition. He also argued that the CIT(A) has rightly deleted the addition of Rs.97,13,70,670/- because the AO has wrongly treated the sale of diamonds as non genuine without rejecting the books of accounts. The Ld. Counsel for the assessee explained that the assessee has produced complete books of accounts before the AO during the course of assessment proceedings and this fact is noted by the AO in his assessment order in para 3.3 and Ld. Counsel read out from page 2 of the assessment order as under :-

“3.3. As the assessee has made huge cash sales during the year, the sales register, stock register and cash book of the assessee were also examined. On perusal of the sales register, stock register and cash book, the following peculiar facts emerges.”

11. The Ld. Counsel explained that even the AO has examined the sale register, stock register and pointed out particular dates but find no defect in the same. The AO has wrongly taken adverse view of depositing cash in bank account at Delhi for sales made at Surat and argued that the place for depositing of cash is irrelevant. He stated that all the purchases are supported by bills and vouchers and even the imports are supported by the certificate of origin of diamonds etc. He stated that the import of diamonds is with custom clearance documents

which were never doubted by the AO. Once the entire bills and vouchers details and books of account are reliable and assessee has recorded each and every transaction of purchase and sales, the AO cannot take out cash sales and make addition u/s. 69 C of the Act as unverifiable. Hence, he urged that the addition restricted by the CIT(A) on account of commission @ 0.25% be deleted and addition deleted by the CIT(A) cash sales qua that the order be sustained.

12. On the other hand the Ld. CIT(DR) supported the order of the AO and made argument that humanly it is not possible that on an average assessee with small number of employees can issue cash vouchers on an average 144 people. Hence, according to him the cash sale which is unverifiable was rightly added by the AO u/s. 69C of the Act. He assailed the order of the CIT(A) stating that there is no basis for deletion of addition and thereby estimating the commission over and above the value of transaction by estimating @ 0.25%.

13. We have heard the rival contentions and gone through facts and circumstances on this issue. We noted that first of all the assessee has produced complete books of accounts before the AO during the assessment proceedings including the sale register, stock register

and cash register from where he noted various facts including purchases made/sales made and sale of rough diamonds. Admittedly, the assessee has explained the source of purchases of all the purchases are recorded in the books of accounts and has produced all the bills and vouchers, import bills, bill of entry, airline bills and custom documents etc. All purchases have been made through account payee cheque/RTGS. The assessee has recorded complete sales in the books of account and AO could not point out any defect in the books of account or even there is no finding in the Assessment Order about any deficiency in the books of account. The AO has not at all invoked the provision of section 145 for rejection of books of account of the assessee.

14. In view of the above facts, we are of the view that addition made by the AO is just based on assumptions and has ignored the facts of the case. Interesting point is that once the purchases are accepted as genuine and its sales cannot be taken as bogus until and unless books of account are rejected or found to be defective. One interesting fact is that even enforcement directorate has enquired into the issue and find no adverse circumstances or facts in this case against the assessee.

15. Hence, we find no infirmity in the order of the CIT(A) the deleting of cash sales made by the AO u/s. 69C of the Act.

16. As regards to the issue of assessee's appeal estimating the profit / commission on alleged cash sales @ 0.25%, the CIT(A) has simply tried to balance the view expressed by him but there is no basis for such estimation because the assessee has already disclosed profit, which is part of the accounts of the assessee on cash sales recorded in the books of account. Hence, we delete this addition and allow assessee's appeal on this issue. As regards to the assessee's appeal, this issue of assessee's appeal is allowed and revenue's appeal is dismissed.

17. Now, coming to **ITA No.3201 and 2966/Del/2018**, these two cross appeals for **A.Y. 2014-15**.

18. The first issue in the appeal of revenue is raised by following ground No.1 :-

1. Whether the Ld. CIT(A) was correct, on facts and in law, in deleting the addition made by the AO u/s. 69C of the IT Act in respect of unverifiable purchases made by the assessee?

19. Similarly the assessee has raised following ground No.1:-

1. That in view of facts and circumstances of the case and in law the CIT(A) erred in estimating profit @ Rs.48,41,838/- i.e. @ 0.25% on cash sales alleging “ that the appellant might have been compensated by paying some amount in the form of commission over and above the value of transaction” on presumptions and without any corroborative evidence, therefore, the same is arbitrary, unjust, bad in law and deserved to be deleted.

20. Since the facts and circumstances are exactly identical in these cross appeals for A.Y.2014-15 that of **ITA No.2886/Del/2018 and 3200/Del/2018 for A.Y. 2013-14**. Hence, the addition of unverifiable deleted by the CIT(A) is confirmed exactly on same facts and circumstances of the case. Hence, the order of CIT(A) estimating profit/ commission @ 0.25% & addition of income on the above value of transaction of cash sale of Rs.193,67,34,962/- is without any basis and hence deleted. On these two issues the appeal of assessee is allowed and revenue appeal is dismissed.

21. The next issue in revenue's appeal in **ITA No.3200/Del/2018** for A.Y. 2013-14 is as regards to the CIT(A) deleting the addition made by the AO of unexplained cash deposits in the bank account of the assessee u/s. 68 of the Act. For this the revenue has raised following ground No.2 :-

2. Whether the Ld. CIT(A) was correct on facts and in law, in deleting the addition made by the AO u/s. 68 of the IT Act in respect of the unexplained cash deposits in the bank accounts of

the assessee as the assessee has not discharged its burden as required by law ?

22. Brief facts of the case are that the AO during the course of the assessment proceedings noticed that the assessee has made total cash on sales to the tune of Rs.97,13,70,670/- but the cash deposited in the bank account is to the tune of Rs.97,71,80,500/- and the assessee could not explain before the AO, the excess cash deposit of Rs.58,09,830/- and hence, despite the AO giving various opportunities, assessee could not explained or could not provide source of income and accordingly the AO added the excess cash deposit u/s. 68 of the Act. Aggrieved assessee preferred appeal before the CIT(A).

23. The CIT(A) after going through the facts of the case and ground raised by the assessee deleted the addition by observing in para 5.3 as under:-

“5.3 I have considered the facts of the case and the submission made by the AR. The arguments of the AO for making this addition are the same as for making the already discussed addition u/s 69C of the Act i.e. the cash sales of the appellant are not genuine. The AO has held that the source of cash deposits has not been explained satisfactorily. However, as already discussed above, there is no evidence on record to show that the cash sales are bogus. The purchases have been duly recorded in the books of account and day to day stock register

has been maintained. The Purchases have not been doubted by the AO and the books of account have been accepted not only for this year but in earlier years also when similar transactions were done by the appellant. Moreover, it is not correct on the part of AO to accept one part of the books of account and reject the other part i.e. rejection of sales but acceptance of purchases and other entries in the books of account is not a prudent decision. The AR has also explained the reason for difference between the amount of cash sales during the year and the total amount of cash deposits in the bank account. It has been stated that the appellant had opening cash in hand as on the beginning of the year, which can be seen from the Balance Sheet. The source of cash deposit in the bank accounts of the appellant is duly recorded and is supported by valid documents. In view of these facts, I am of the opinion that there is no reason to treat the source of cash deposits in the bank accounts as unexplained and therefore, the addition made by the AO under section 68 of the Act is deleted and the ground of appeal is allowed.”

Aggrieved, revenue is in appeal before Tribunal.

24. We have heard rival arguments and gone through the records. When a query was put to Ld. Counsel for the assessee, that what is source of this excess cash deposit of Rs.58,09,830/-, the Ld. Counsel explained that the assessee is having opening cash balance and total of that regular cash received during the year was deposited in the bank account and that is why there is excess cash deposit of Rs.58,09,830/- qua the sales of Rs.97,13,70,670/-, on query from the bench, that the facts are not emerging from the order of the AO or that of the CIT(A). The Ld. Counsel for

the assessee could not explain how the issue was addressed by the assessee before authorities below. On this Ld. Counsel for the assessee has stated that the details are referred in assessee's paper book in pages 36 to 37 but when he was asked to correlate these entries of cash deposit in bank with cash in hand available or cash generated out of cash sales he could not properly explained. The Ld. CIT(DR) on the other hand requested the Bench to refer the matter back to the file of the AO for verification on this issue whether the cash deposit of Rs.58,09,830/- is arising out of available cash in hand or out of cash sale made by the assessee.

25. After hearing both the sides and going through the facts of the case we are of the view that the issue of cash deposit in the bank account of Rs.58,99,830/- i.e. over and above cash sale of Rs.97,13,70,670/- needs proper verification and the assessee has to explain the source of cash. In view of the given facts of the case, we are of the view that the assessee is unable to explain this differential cash by any plausible explanation. Accordingly, we allow this issue of revenue.

26. Coming to revenue's appeal in **ITA No.3201/Del/2018** for A.Y. 2014-15. Similar issue is arising in this appeal also regarding unexplained cash deposit in bank account of Rs.1,97,45,038/-. This exactly identical issue in A.Y. 2013-14 in **ITA No.3200/Del/2018** and in this year also the facts

are not clear. Hence, taking consistent view and exactly similar finding we are allowing this issue of the Revenue's appeal.

27. The next issue in appeal of the assessee in ITA **No.2886/Del/2018 for A.Y. 2013-14** is as regards to the order of the CIT(A) confirming the action of the AO in making the addition of unexplained cash credit in the name of Sh. Sachit Kapur amounting to Rs.48 lacs u/s. 68 of the Act. For this assessee has raised ground No.2 :-

“2. That in view of the facts and circumstances of the case and in law the CIT(A) erred in ignoring the submissions made by the appellant in support of creditworthiness of Sh. Satchit Kapur in furtherance to which erred in confirming the addition of Rs.48.00 lacs made u/s.68 of the Act by the Assessing Officer.”

28. The brief facts are that the assessee received cash unsecured loan of Rs. 48 lacs from Sh. Sachit Kapur during the year as under :-

Rs.48,00,000/- (Credits in Sachit Kapur Account)

(a)Rs.5,00,000/- (on 01.07.2012 vide cheque No. 747327 of Axis Bank)

(b)Rs.43,00,000(on 21.03.2013 vide cheque No.6551 of ING Vysya Bank).

29. The AO required the assessee to explain the cash credit by filing bank statement of Sh. Sachit Kapur as well as the creditworthiness and source of this unsecured loan. According to

AO since the assessee could not prove the creditworthiness or the genuineness of the transactions in regard to this amount of Rs.48,00,000/-, the same was added by him u/s 68 of the Act. Aggrieved, assessee preferred appeal before the Ld. CIT(A).

30. The Ld. CIT(A) after going through the facts of the case and circumstances of the case, confirming the action of AO by observing as para 6.3 as under:

“6.3 I have considered the facts of the case and the submission made by the AR. It is contended that the appellant had submitted the copies of bank statements of Sh. SachitKapur to the AO who has not accepted his creditworthiness on the ground that there are continuous cash deposits of huge amounts. It is submitted that these cash deposits are made out of cash withdrawals from other bank accounts maintained by Sh. SachitKapur. On perusal of the submission made by the AR and the facts of the case, it is observed that the appellant has failed to prove the creditworthiness of Sh. SachitKapur and also the prove the creditworthiness of Sh. SachitKapur and also the genuineness of the transaction. The AR has not filed any document to explain the source of cash deposits and has also not filed any details of the income shown by Sh. SachitKapur in the Return of Income filed by him, if any. Merely stating that the cash deposits have been made by making withdrawals from other bank accounts cannot be accepted to explain the creditworthiness of the lender. In view of these facts, I don't have any reasons to interfere with the addition made by the AO and therefore, the said addition made u/s 68 of the Act is confirmed and the ground of appeal is dismissed.”

Aggrieved, assessee is in appeal before the Tribunal.

31. We have heard the rival contentions on this issue and gone through the facts and circumstances of the case. We noticed that now the assessee for the first time before us filed bank statement of Sachit Kapur and claimed that out of this bank statement of Axis Bank cheque No.747327 was issued on 01/07/2012 of

Rs.5,00,000/- and another cheque was also issued by Sh. Sachit Kapur from his bank account ING Vysys Bank cheque No.6551 on 21/03/2013 for an amount of Rs.43,00,000/-. Since, these documents were produced before us for the first time, we admit these documents and remand this issue back to the file of AO. The AO will examine these cash credit of Sh. Sachit Kapur Rs.5,00,000/- and Rs.43,00,000/- in total Rs.48,00,000/- in terms of section 68 of the Act and, thereafter, will decided this issue. This issue of assessee's appeal is set aside and allowed for statistical purposes.

32. The next issue in this appeal of assessee in ITA No.2966/Del/2018 for Asst. Year: 2014-15 is as regards to the order of the Ld. CIT(A) confirming the action of the AO in making addition of unsecured loan of Rs.1,44,00,000/- received from Sh. Pankaj Kapur u/s 68 of the Act. For this assessee has raised following ground No.2:

“That in view of the facts and circumstances of the case and in law the CIT(A) erred in ignoring the submissions made by the appellant in support of creditworthiness of Shri Pankaj Kapur in furtherance to which also erred in confirming the addition of Rs.1,44,00,000/- made u/s 68 of the Act by the Assessing Officer.”

33. We have heard rival contentions and gone through the facts and circumstances of the case. We noted that assessee during the Financial Year 2013-14 relevant to Asst. Year: 2014-15 received unsecured loan of Rs.1,44,50,000/- from one Sh. Pankaj Kapur. The AO noted that as per ITR of Sh. Pankaj Kapur, he has meager income of Rs.1,80,000/- and from the banks statement of Shri Pankaj Kapur i.e., particularly submitted reflects that there are continuous

deposits and cash withdrawals and to examine the source of cash deposits the AO required the assessee to explain the three ingredients of section 68 of the Act. As the assessee failed to prove the creditworthiness or the genuineness of the transaction of unsecured loan of Sh. Pankaj Kapur, he added this amount of Rs.1,44,00,000/. Aggrieved assessee preferred an appeal before Ld. CIT(A).

34. The CIT(A) confirmed the action of Ld. AO by observing para 6.3 as under:

“6.3 I have considered the facts of the case and the submission made by the AR. It is contended that the appellant had submitted the copies of bank statements of Sh. Pankaj Kapur to the AO who has not accepted his creditworthiness on the ground that there are continuous cash deposits of huge amounts. It is submitted that these cash deposits are made out of cash withdrawals from other bank accounts maintained by Sh. Pankaj Kapur. On perusal of the submission made by the AR and the facts of the case, it is observed that the appellant has failed to prove the creditworthiness of Sh. Pankaj Kapur and also the genuineness of the transaction. The AR has not filed any document to explain the source of cash deposits keeping in view the meagre amount of income shown by Sh. Pankaj Kapur in the Return of Income filed by him. Merely stating that the cash deposits have been made by making withdrawals from other bank accounts cannot be accepted to explain the creditworthiness of the lender. In view of these facts, I don't have any reasons to interfere with the addition made by the AO and therefore, the said addition made u/s 68 of the Act is confirmed and the ground of appeal is dismissed.”

Aggrieved, the assessee is in appeal before the Tribunal.

35. We have heard the rival contention on this issue and gone through the facts and circumstances of the case. We noticed that now the assessee for the first time before us filed bank statement of Pankaj Kapur from where this amount was advanced. Since, this document was produced before us for the first time, we admit this

document and remand this issue back to the file of AO. The AO will examine these cash credit of Sh. Pankaj Kapur of Rs.1,44,00,000/- in terms of section 68 of the Act and, thereafter, will decided this issue. This issue of assessee's appeal is set aside and allowed for statistical purposes.

36. In the result, Assessee's appeal in ITA No.2886/Del/2018 for Asst. Year 2013-14 is partly allowed for statistical purposes. Revenue's appeal in ITA No.3200/Del/2018 for Asst. Year 2013-14 is partly allowed. Assessee's appeal in ITA No.2966/Del/2018 for Asst. Year 2014-15 is partly allowed for statistical purposes. Revenue's appeal in ITA No.3201/Del/2018 for Asst. Year 2014-15 is partly allowed.

Order pronounced on 18.12.2024.

Sd/-

(NAVEEN CHANDRA)
ACCOUNTANT MEMBER

NEHA, Sr. PS

Date:- 18.12.2024

Copy forwarded to:

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

Sd/-

(MAHAVIR SINGH)
VICE PRESIDENT

ASSISTANT REGISTRAR
ITAT NEW, DELHI

