

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DEHRADUN BENCH, DEHRADUN**

**Before Sh. Yogesh Kumar U.S., Judicial Member  
&  
Sh. Manish Agarwal, Accountant Member**

**ITA No.2/DDN/2025:Asstt. Year : 2018-19**

Amrit Varsha Udyog Ltd., Plot No. D1, D2, D12, D13, UPSIDC Industrial Areas, Jashodharpur Kotdwar, Uttarakhand-246149 (APPELLANT)	Vs	DCIT, Circle-1, Dehradun Uttarakhand-2488001 (RESPONDENT)
<b>PAN No. AABCA1516H</b>		

**Assessee by: None**

**Revenue by: Sh. A. S. Rana, Sr. DR**

<b>Date of Hearing: 10.12.2025</b>	<b>Date of Pronouncement: 23.12.2025</b>
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**ORDER**

**Per Yogesh Kumar U.S., Judicial Member:**

The present appeal is filed by the assessee against the order of the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre [‘Ld. CIT(A)/NFAC’ for short], Delhi dated 08.11.2024 for the Assessment Year 2018-19.

2. Brief facts of the case as mentioned in the order of the Id. CIT(A) are as under:

*"5.1 In the instant case, the AO opened the initial re-assessment proceeding on 21.01.2020 by issuing notice u/s. 148 of the Act on the issue of accommodation entries to the extent of Rs. 30,76,798/- in the form of bogus expenses from non-existing concern i.e., M/s. Shri Ganpati Enterprises. During the course of the initial assessment proceeding, the assessee was asked to submit the details and the same were furnished by assessee. However, AO didn't accept the assessee's explanation and concluded the assessment making*

*addition of Rs. 30,76,798/- u/s. 69C of the IT Act. Against the same the assessee has preferred this appeal which was rejected by the CIT(A) vide order dated 30.09.2022.*

*5.2 Further the AO has re-opened the assessment u/s. 147 of the IT Act on the issue of bogus purchases made to the extent of Rs. 49,13,825/- from M/s Shri) Ganpati Enterprises, Rs. Rs.15,10,506/- from M/s Delhi Steel Trading Co. and Rs.53,00,074/- from M/s New India Traders. During the course of the 2nd reassessment proceeding, the assessee provided bills for goods purchased, transport waybills and bank statements highlighting payments made. However the AO didn't accept the assessee's contention and the re-assessment was concluded making the addition of Rs. 1,17,24,405/- towards the bogus purchases."*

3. Aggrieved by the assessment order, Assessee preferred an Appeal before the Id. CIT(A). The Id. CIT(A) vide order dated 18.11.2024, confirmed the addition made on account of purchase from M/s Delhi Steel Trading Co. and M/s New India Traders of Rs.15,10,506/- and Rs.53,00,074/-, respectively. Aggrieved by the order of the Id. CIT(A), Assessee preferred the present appeal.

4. None appeared on behalf of the Assessee. Though a power of attorney has been filed on behalf of the assessee, both the Assessee's representative and the Assessee remained absent on all the previous occasions. In view of the above, we deem it fit to decide the Appeal by hearing the Ld. Department's Representative and perusing the material available on record.

5. The Id. DR vehemently submitted that the assessee had received bogus accommodation entries and the assessee failed to prove with satisfactory documentary evidence in support of its claim, therefore relying on the findings and the conclusion of the Id. CIT(A), sought for dismissal of the appeal of the assessee.

6. We have heard the Department's Representative and perused the material available on record. The Id. CIT(A) while sustaining the partial addition held as under:

***"Addition on account of purchase from M/s Delhi Steel Trading Co. and M/s New India Traders:***

*7.3 In this case AO received information from DDIT(Inv)-1, New CGO Complex, NH-IV, Faridabad, Haryana - 121001 that Sri. Irfan Malik and Sri. Irshad Malik, who were the proprietors of around 22 bogus entities including Shri Ganpati Enterprises, M/s Delhi Steel Trading Co. and M/s New India Traders, were providing accommodative entries to many entities/companies including the present assessee by engaging in a nexus of fake invoicing. The sworn statement of Sri. Irfan Malik and Sri. Irshad Malik was recorded on 18.08.2021 and 19.08.2021. In the sworn statement, they admitted the facts that all the 22 entities are fake firms, are nonexistent at their registered address and are issuing invoices just for passing on of fraudulent Input Tax Credit and that no goods are supplied from these firms. Statements of the office staff of Sri. Irfan Malik and Sri. Irshad Malik was also corroborated these findings. In this instant case, the appellant has also availed the accommodation entries from the above mentioned parties. During the course of the assessment proceeding, the appellant was allowed multiple opportunities to prove the genuineness of the transactions; however the assessee could not provide either confirmation letter or assessee's ledger accounts in these entities' books of accounts, Mere reliance of the appellant was on the fact that the transaction were made via bank accounts transfer. However, mere existence of bank account does not prove the genuineness of the*

*entity and the transactions. It shall also be noted that the proprietors of these entities have already admitted that no goods were supplied from these firms which clearly shows that the purchase made by the appellant is bogus in nature.*

*7.4 In the impugned case the AO has conducted proper enquiries on the alleged accommodation entry/ bogus sales provider. The appellant failed to produce the called details/clarification before the AO and it was independently established by the AO that the purchases made by the Appellant. The Hon'ble Supreme Court in the case of Commissioner of Income Tax vsDurga Prasad More 82 ITR 540 observed the often quoted following relevant observation:*

*"It is true that an apparent must be considered real until it is shown that there are reasons to believe that the apparent is not the real. In a case of the present kind a party who relies on a recital in a deed has to establish the truth of those recitals otherwise it will be very easy to make self-serving statements in documents either executed or taken by a party and rely on those recitals. If all that an asses see who wants to evade tax is to have some recitals made in a document either executed by him or executed in his favour then the door will be left wide open to evade tax. A little probing was sufficient in the present case to show that the apparent was not the real. The taxing authorities were not required to put on blinkers while looking at the documents produced before them. They were entitled to look into the surrounding circumstances to find out the reality of the recitals made in those documents".*

*7.5 Further, in SumatiDayal vs. Commissioner of Income tax(1995) 214 ITR801(SC) — the Supreme Court observed as under:*

*"It is no doubt true that in all cases in which a receipt is sought to be taxed as income, the burden lies on the Department to prove that it is within the taxing provision and if a receipt is in the nature of income, the burden of proving that it is not taxable because it falls within exemption provided by the Act lies upon the assessee.[See .ParimisettiSeetharamamma (supra) at P. 5361.But, in view of Section 68 of the Act, where any sum is found credited in the books of the assessee for any previous year the same may be charged to income taxes the income of the assessee of that previous year if the explanation offered by the assessee about the nature and source thereof is, in*

*the opinion of the Assessing Officer, not satisfactory. In such case there is prima facie, evidence against the assessee, viz., the receipt of money, and if he fails to rebut , the said evidence being un-rebutted, can be used against him by holding that it was a receipt of an income nature. While considering the explanation of the assessee the Department cannot, however, act unreasonably."*

*7.6 In the instant case, the AO's discussion and the enquiries clearly shows that the above mentioned entities were providing the bogus accommodation entries and the appellant has availed the same. The appellant has failed to produce any satisfactory documentary evidence in support of his claim which further strengthen the AO finding of the bogus purchases. In view of the above discussion, is ascertained that the addition made by the AO in regard to the above mentioned entities founds to be bogus accommodation entry and the same do not require any interference. The addition made by the AO is to be upheld in view of the decision of the above paras."*

7. The Assessee has failed to produce any satisfactory documentary evidence either to dispute or to contradict the findings of the authorities below. As the Id. CIT(A) has granted partial relief and sustained the remaining addition, on going through the material available on record, we find no reason to interfere with the order of the Id. CIT(A). Accordingly, appeal of the assessee is dismissed.

8. In the result, the Appeal of the Assessee is dismissed.

Order Pronounced in the Open Court on 23/12/2025.

Sd/-

**(Manish Agarwal)**  
**Accountant Member**

**Dated: 23/12/2025**

\*Subodh Kumar/R.N, Sr. PS\*

Sd/-

**(Yogesh Kumar US)**  
**Judicial Member**

Copy forwarded to:

Appellant

1. Respondent

2. CIT

3. CIT(Appeals)

4. DR: ITAT

**ASSISTANT REGISTRAR  
ITAT, NEW DELHI**