

**IN THE INCOME-TAX APPELLATE TRIBUNAL, MUMBAI "F" BENCH, MUMBAI
BEFORE SHRI SANDEEP GOSAIN, JUDICIAL MEMBER AND
SHRI BIJAYANANDA PRUSETH, ACCOUNTANT MEMBER
ITA No. 6028/MUM/2025(AY: 2018-19)**

ITO-15(3)(1). Room No.456, 4 th Floor, Aayakar Bhawan, M.K. Road, Mumbai-400020.	vs.	VPCG Exim Pvt. Ltd. 221, 2 nd Floor, Powai Plaza, Hiranandani Gardens, Powai, Mumbai-400076.
PAN/GIR No: AAECV7799L		
(Appellant)		(Respondent)

**CO No. 305/MUM/2025 (AY: 2018-19)
ARRISING OUT OF
(ITA No. 6028/MUM/2025) (AY: 2018-19)**

VPCG Exim Pvt. Ltd. 221, 2 nd Floor, Powai Plaza, Hiranandani Gardens, Powai, Mumbai-400076.	vs.	ITO-15(3)(1). Room No.456, 4 th Floor, Aayakar Bhawan, M.K. Road, Mumbai- 400020.
PAN/GIR No: AAECV7799L		
(Appellant)		(Respondent)

Appellant by	Shri Rasesh Shah
Respondent by	Shri Kavitha Kaushik (SR DR)
Date of Hearing	29.01.2026
Date of Pronouncement	13.02.2026

ORDER

PER BIJAYANANDA PRUSETH, AM:

These cross appeals filed by the revenue and the appellant emanate from the order passed under section 250 of the Income-tax Act, 1961 (in short, 'Act') by the CIT(A), dated 16.10.2025 for the assessment year (AY)2018-19.

2. The grounds of appeal raised by the revenue in ITA No.6028/Mum/2025 (AY: 2018-19) are as under:

"A. On the facts and in the circumstances of the case and in law, the Id. CIT(A), has erred in deleting the addition made of Rs. 1,00,00,000/-u/s. 68 of the Act. ignoring the fact that the assessee company has taken accommodation entries in the form of unsecured loans from non-descript entities managed and controlled by Shri Himanshu Verma, a provider of accommodation entries in lieu of commission which was established during the search action u/s. 132 of the Act.

B. "On the facts and in the circumstances of the case and in law, the Hon'ble ITAT has erred in deleting the addition made of Rs.50,00,000/-u/s. 68 of the Act, ignoring the fact that the assessee company has taken accommodation entries in the form of unsecured loans from non-descript entities managed and controlled by Shri Himanshu Verma, a provider of accommodation entries in lieu of commission which was established during the search action u/s. 132 of the Act.

C. Whether, on the facts and in the circumstances of the case and in law, the ITAT is correct in deleting the additions made, ignoring the facts that transactions made through banking channel does not prove the genuineness of the transactions.

D. On the facts and in the circumstances of the case and in law, the ITAT failed to appreciate the fact that the onus is on the assessee to explain and substantiate the genuineness and true nature of the transaction."

3. The grounds of appeal raised by the assessee in CO No. 305/Mum/2025

(AY:2018-19) are as under:

1. On the facts and in the circumstance of the case as well as law on the subject, the learned CIT(A) has erred in confirming action of Assessing Officer in assuming jurisdiction uis. 147 by issuing notice u/s. 148 of the Act on the basis of the search action conducted in the case of Galaxy Group, Shri Pradeep Indra Agarwalla, Himanshu Verma.

2. On the facts and in the circumstance of the case as well as law on the subject, the learned CIT(A) has erred in confirming action of Assessing Officer in recording the satisfaction by taking mechanical approval from the Principal Commissioner of Income Tax which is not supported by the generation of DIN.

3. On the facts and in the circumstance of the case as well as law on the subject, the learned CIT(A) has erred in confirming action of Assessing Officer in issuing the notice u/s. 148 of the Act after taking