

**IN THE INCOME TAX APPELLATE TRIBUNAL  
(DELHI BENCH 'D' : NEW DELHI)**

**BEFORE SHRI U.B.S. BEDI, JUDICIAL MEMBER  
and  
SHRI B.C. MEENA, ACCOUNTANT MEMBER**

**ITA No.4738/Del./2009  
(ASSESSMENT YEAR : 2001-02)**

ITO, Ward 5 (2),  
New Delhi.

vs. M/s. Kautilya Monetary Services Pvt. Ltd.,  
10, Local Shopping Complex, Kalkaji,  
New Delhi.

**(PAN : AAACK3995P)**

(APPELLANT)

(RESPONDENT)

ASSESSEE BY : Shri Adesh K. Jain, CA  
REVENUE BY : Ms. Y. Kakkar, Senior DR

**ORDER**

**PER B.C. MEENA, ACCOUNTANT MEMBER :**

This appeal filed by the revenue emanates from the order of CIT (Appeals)-VIII, New Delhi dated 15.10.2009 for the assessment year 2001-02. The original grounds read as under :-

“1. The order of the learned CIT (Appeals) is erroneous and contrary of facts & Law.

2. On the facts and in the circumstances of the case and in law, the learned CIT (Appeals) has erred in deleting the addition of Rs.36,00,000/- made by A.O. u/s 68 of the I.T. Act being the bogus cash credits.

2.1 The Ld. CIT (A) ignored the fact that the assessee did not discharge the onus of proving the credit worthiness of the creditors and genuineness of the transactions.

3. The appellant craves leave to add, or amend any grounds of appeal raised above at the time of the hearing.”

Thereafter, the revenue has submitted an additional ground of appeal which read as under :-

“The Ld. CIT (A) is erred in holding that initiation of reassessment proceedings was not sustainable in law and that the proceedings were initiated without any cogent reasons and definite material.”

2. The assessee is a private limited company engaged in the business of providing professional services and trading of shares. The return of income for the year under consideration was filed on 31.10.2001 declaring net income of Rs.13,833/-. The reassessment proceedings under section 147 were initiated by issue a notice under section 148 on 28.03.2008. The assessee submitted that the return filed under section 139 (1) was treated as return of income filed under section 148 of the Act. The Assessing Officer made an addition of Rs.36 lacs. The assessee has challenged the reassessment proceedings as well as the additions made before the CIT (A). The CIT (A) allowed the assessee’s appeal on both the grounds, i.e., the initiation of reassessment proceedings as well as on merits of the addition.

3. The learned DR was heard in length on both the issues of reopening as well as on merits of the case. On the reopening issue, raised in additional ground, she pleaded that the assessee has not submitted true and fair

disclosures as the details of the credit entries being questioned by revenue under section 148 proceedings as in the case the facts were not fully and truly disclosed. Assessing Officer had power to investigate and brought forward creditors as held in the case of Suresh Kumar T. Jain vs. ITO 2010-TIOL-354-ITAT-Bangalore. The assessee had not established genuineness of opening stock.. She pleaded that in the case of Sterlite Industries (India) Ltd. vs. ACIT reported in 302 ITR 275 wherein it has been held that the reopening is valid wherein the reopening was done on the basis of a letter received from Enforcement Directorate. She also placed reliance on the case of Jagjit Pal Singh Anand vs. CIT – 320 ITR 106 (Del.), wherein a letter from custom was held to be valid basis for reopening. The Hon'ble High Court has held that the Tribunal has rightly rejected this contention of the appellant by taking note of two judgments of the Hon'ble Supreme Court, in the cases of Raymond Woollen Mills Ltd. vs. ITO – 236 ITR 34 and CIT vs. Rajesh Jhavari Stock Brokers (P) Ltd. – 291 ITR 500. In these decisions, the Hon. Supreme Court held that in determining whether the commencement of the reassessment proceedings are valid, it is only to be seen that there was a prima facie some material on the basis of which the Department could reopen the case. The sufficiency/correctness of the material is not a thing to be considered at that stage. The Hon'ble Court held that there was material on record on the basis of which the Assessing Officer has formed opinion that there is escapement of

income in the case of the assessee for the year under consideration. She also relied on the decision of Hon'ble Delhi High Court in the case of AGR Investments vs. Addl. CIT in WP (C) No.7517/2010 dt. 07.01.2011. She has also relied on the decision of Hon'ble Allahabad High Court in the case of Desh Raj Udyog vs. CIT – 318 ITR 6 (All.) for the proposition that sufficiency of reasons cannot be challenged. She has also relied on the decision of Hon'ble Delhi High Court in the case of CIT vs. Highgain Finvest (P) Ltd. reported in 304 ITR 325 (Del.) for the proposition that there existed a live nexus between information in reasons recorded and additions made by the AO. She pleaded that in this case also, there was a live connection between the information in reasons recorded and additions made by Assessing Officer. For the sufficiency of reasons, she also relied on the decision of Apex Court in the case of Phool Chand Bajrang Lal vs. ITO–203 ITR 456. For reopening, establishment of escapement of income is not necessary and for this proposition, she relied on CPMO vs. CIT–191 ITR 662(SC), MTNL vs. CIT–246 ITR 153(Del.), ITO vs. Gurvinder Kaur–102 ITD 189(Del.) and ITO vs. Selected Dalurband Coal Co.(P)Ltd.–217 ITR 597 (SC). She also pleaded that there was no necessity of supplying the reasons as law did mandate so. For this, she placed reliance on CIT vs. Seftag reported in 332 ITR 622. The Assessing Officer is not supposed suo motu to supply the copy of those reasons to believe. It is only when the assessee asked the Assessing

Officer, the Assessing Officer has to provide the reasons recorded and thereafter the Assessing Officer is duty bound to dispose of the objections by making a speaking order. The rejection of the objection by Assessing Officer gives a cause to the assessee to challenge the order of the Assessing Officer by filing appropriate writ petition. She also relied on the decision of *Beutex India Pvt. Ltd. vs. CIT – 2011-TIOL-817-HC-DEL-IT* and *CIT vs. Nicky Constructions – 2010-TIOL-496-ITAT-DEL*. She further pleaded that the existence of tangible material established by the letter / information received from the DI, Investigation Wing with regard to entries on that basis any prudent person can reach to a logical conclusion that income has escaped assessment. The sufficiency of reasons cannot be challenged at that stage. For this proposition, she relied on the decision of Bombay High Court in the case of *Indo European Breweries Ltd. vs. ITO – 2011-TIOL-759-HC-MUM-IT(BOMBAY)*. She also pleaded that a Division Bench of the Hon'ble Bombay High Court (speaking through Hon'ble Mr. Justice S.H. Kapadia, as Your Lordship then was) in the case of *Dr.Amin's Pathology Laboratory vs. JCIT–252 ITR 673 (Bom.)* held that the test that must be applied is whether a prudent Assessing Officer has reason to believe that income has escaped assessment. She also relied on the decision of *Yashraj Films Pvt. Ltd. vs. ACIT* reported in *2011-TIOL-660-HC-MUM.-IT*. She also relied on the decision of Madhya Pradesh High Court in the case of *Dr. Lata Chouhan vs.*

ITO reported in 329 ITR 400 wherein it is held that the reopening of assessments on the basis of tangible material which comes in the possession of the department following a survey action u/s 133A is valid. She also pleaded that embedded material on records does not tantamount to full and true discloser. For this proposition, she relied on the decision of Hon'ble Delhi High Court in the case of Honda Siel Power Products Ltd. vs. DCIT reported in 2011-TIOL-126-HC-DEL-IT and Apex Court decision in the case of Malegaon Electricity Co. Pvt. Ltd. vs. CIT – 78 ITR 466. She submitted that law postulates a duty on every assessee to disclose fully and truly all material facts for its assessment. The discloser must be full and true.

4. On the other hand, the learned AR submitted that reasons recorded by the Assessing Officer clearly show that he has not applied his independent mind to arrive at the satisfaction as required by law. He also pleaded that it is a settled position of law that Assessing Officer has to reach to his own satisfaction that some income has escaped assessment. The satisfaction has to be based on some reliable material and judicious application of mind. Ld. AR pleaded that no reassessment proceeding is permitted to be initiated on the basis of borrowed satisfaction. For this, he relied on the following decisions:-

- (i) CIT vs. Atul Jain - (2007) 164 Taxman 33 (Delhi);
- (ii) Durga Prashad Goyal vs. ITO – (2006) 98 ITD 227 (Asr) (SB);
- (iii) CIT vs. Smt. Paramjit Kaur – (2008) 168 Taxman 39 (HC-P&H);

- (iv) CIT vs. Vignesh Kumar Jewellers (2009) Taxman 18 (HC-Madras);
- (v) CIT vs. Shree Rajasthan Syntex Ltd. (2009) 178 Taxman 33 (HC-Rajasthan)

Ld. AR further pleaded that for reopening of the case, there must be material for belief and not suspect. Ld. AR further pleaded that there should be circumstances in existence, the Assessing Officer cannot presume that circumstances deemed to have been existed for arriving at an opinion. He further pleaded that the reasons to believe must be honest and not based on suspicion, gossip, rumour or conjecture. The reasons recorded must disclose the process of reasoning by which the Assessing Officer reached at conclusion to reopen the case. Change of opinion on a particular issue will not confirm the jurisdiction for reassessment. Ld. AR further pleaded that there must be nexus between material and belief. The learned AR also submitted that the reasons referred to must show judicious application of mind by the Assessing Officer and the validity of proceedings had to be judged with regard to the material available at the point of time of issue of notice. This material cannot be substituted in the course of assessment proceedings. He pleaded that the validity of the proceedings has to be viewed with regard to the material available with the Assessing Officer at the time of issuing notice under section 148. It cannot be substantiated with the help of

material which has come into light in the subsequent reassessment proceedings. For this proposition, he relied on the following case laws :-

- (i) Ganga Saran & Sons Private Ltd. vs. ITO – (1981) 130 ITR 1 (SC);
- (ii) Phool Chand Bajrang Lal vs. ITO – (1976) 203 ITR 456 (SC)
- (iii) ITO vs. Lakhmani Mewal Das – (1976) 103 ITR 437 (SC);
- (iv) S. Narayanappa vs. CIT (1973) 63 ITR 219 (SC);
- (v) Peerless General Finance & Investment Co. Ltd. vs. DCIT – (2005) 273 ITR 16;
- (vi) ACIT vs. Star Ferro Alloys Pvt. Ltd. – (2004) 90 ITD 63 (Delhi)(TM)

5. We have heard both the sides on the issue. We have also perused material on the records. In this case, the return of income was filed under section 139 (1) on 31.10.2001. The same was processed under section 143(1)(a) of the Income-tax Act. There was no scrutiny assessment under section 143(3) of the Income-tax Act. The reassessment proceedings u/s 147 was initiated by issuing notice u/s 148 on 28.03.2008 by recording the reasons. The reopening proceedings were initiation on the information received from Investigation Wing that assessee has received accommodation entries during the year. Thus, the Assessing Officer had considered the information received from investigation wing and has formed an opinion on



the basis of that material and then initiated the proceedings for reassessment. Since there were no original assessment proceedings, therefore, there is no question of change of opinion of the Assessing Officer. The sufficiency of reasons is not a material fact for annulling the reassessment proceedings. The material was received from the investigation wing which prima facie sufficient to make the conclusion that the assessee company had received accommodation entries. The information received contains details of the dates and the amount and details of the bank from where the amounts were received. The variance in the quantum of amount shall not be so fatal which can make the reassessment proceedings null and void. After consideration of all the facts of the case minutely, we are of the view that the CIT (A) was not justified in holding that reassessment proceedings are not sustainable in law. Therefore, on this issue, we allow the revenue's appeal.

6. In the original grounds no.2 & 2.1, the issue is raised regarding the deletion of addition of Rs.36 lacs made by Assessing Officer u/s 68 of the Income-tax Act treating the same as bogus cash credits.

7. We have heard both the sides on the issue. We have also gone through the records minutely. In the present case, the assessee has submitted evidences which have been placed on record. The assessee has filed the audited balance sheet and accounts for the year ending on 31.3.2001 wherein the closing balance of the previous year which is opening balance for the year

under consideration and the closing balance of the year under consideration year has been shown (page 9 of paper book). Assessee also furnished the details of opening stock of investment in shares as on 01.04.2000 to the Assessing Officer (placed at page 34 of the paper book). The assessee also submitted the details of closing stock of investment in shares held on 31.03.2011 (page 35 of paper book). Assessee also submitted the copy of the bank account No.CA 11022591 held by assessee with Centurian Bank of Punjab where the amount is credited (placed at page 59 of the paper book). Assessee also submitted the copy of ledger account where the amount is reflected as received from M/s. Batra investments.

8. The learned DR submitted that the issue should not be taken as covered by the decision of ITAT in other cases. The judicial decisions in a particular provision of law may be construed in a different manner than the manner in which construed earlier and she pleaded that distinguishing features and subsequent judgments have to be taken into account by the ITAT. For this proposition, she relied on the decision of Hon'ble Madras High Court in the case of G. Krishnammal vs. DCIT reported in 66 ITD 83. She also submitted that to perpetuate an error is no heroism and to rectify it is the compulsion of the judicial conscience. For this proposition, she relied on the decision of Hon'ble Supreme Court in the case of Distributors (Baroda)(P.) Ltd. vs. UOI – 155 ITR 120. She further submitted that on facts, the case under

consideration is different than the cases relied upon by the assessee as the Assessing Officer has asked the supporting proof of sale of stock, parties to whom sold and to produce the parties and assessee has failed to comply with said requirements of Assessing Officer despite ample opportunities. In fact, assessee stalled investigation by making compliances by exhausting time in obtaining reasons recorded twice and then seeking adjournment and finally requesting the Assessing Officer to produce the parties under section 131 of the Act on 26.12.2008, i.e., the last date when the case was finally closed and assessment order was passed. She pleaded that in the case of CIT vs. Vishal Holding and Capital (P) Ltd. on which assessee relied upon, the assessee has produced contract notes, etc. whereas in the assessee's case no such details were produced. Assessee consciously evaded investigation by seeking time by way of seeking reasons twice, stalling further enquiry and trying to shift the burden on revenue, despite the facts that factual matrix of details and nature of transactions were solely in the domain of assessee which were never informed to revenue. Stalling tactics were adopted to thwart investigation to its logical conclusion. Thus, the facts of CIT vs. Vishal Holding and Capital (P) Ltd. are distinguishable. The case of Intercity Finest Pvt. Ltd., cited by assessee, is also distinguishable. In this case also, the contract notes and proof of sales were produced while in assessee's case, no such documents were submitted. She finally pleaded that assessee has not submitted true and

fair disclosures as the details of the credit entries being questioned by the revenue u/s 148 proceedings. Finally, she pleaded to set aside the order of CIT (A). She also pleaded to restore the issue to the file of the Assessing Officer for providing the assessee adequate opportunity to produce the share applicants as also the purchasers of the shares, as has been done in the case of ITO vs. M/s. New Tech Steels Pvt. Ltd. – 2010-TIOL-496-ITAT-DEL.

9. Learned. AR submitted before us that the shares were sold through Batra Investments and on similar facts, the ITAT in the case of ITO vs. Intercity Finvest Pvt. Ltd. in ITA No.3131/Del/2010 and 2348/Del/2010 and CO Nos.369 & 370/Del/2010 has confirmed the deletion of addition by the CIT (A). In the assessee's case, the sale proceeds are received from the M/s. Batra Investments which is evident from the ledger account. The opening stock of investment in shares is not doubted by revenue. It was also declared that opening stock was sold and net profit of Rs.1,92,900/- was earned. Ld. AR also pleaded that although the information received was about Rs.36 lacs while the credits of sale proceeds received in the assessee's account are only of Rs.22 lacs (which is evident from the books of account of assessee as well as from the statement of bank account of assessee). The sale proceeds of the share sold out which were held in opening investment have been received through banking channel by cheques only. The shares have been duly declared / disclosed as opening balance as investment in the balance sheet of

the assessee filed along with the return of income. This fact regarding opening stock of investment in shares also is evident from page no.9 of paper book. Since this was the sale proceeds realization of the shares which were available with the assessee in the beginning of the year, the corresponding sales have been duly incorporated in the accounts of the assessee on the basis of these sales. The income has been declared in the return of income. Therefore, addition on this account was unjustified which had been rightly deleted by CIT (A). Ld. AR also pleaded that it will amount to the double addition in the assessee's income if such additions are allowed to sustain. The relevant corresponding credits reflecting in the books of account were sufficiently explained by the assessee in terms of section 68 of the Income-tax Act. These credits reflected in the assessee's account represent the realization of the sales proceeds of shares and the same has been duly declared in the return of income. Similar transactions entered through M/s. Batra Investment have been accepted as genuine by ITAT Delhi Bench in the case of Intercity Finvest Pvt. Ltd., cited supra. Therefore, there was no justification for making the addition. The CIT (A) has rightly deleted the addition.

10. We have heard both the sides. From the documents submitted in the form of paper book by the assessee, we find that the assessee company had sold shares which were held as investment as on 31.03.2000 through M/s. Batra Investments. These sale proceeds have been taken into account while

preparing the profit & loss account of the assessee for the year. The assessee had earned profit of Rs.1,92,900/- on the sale of such shares held as investment as on 31.03.2000 which has been duly declared in the return of income for the assessment year under consideration. This amount has been received through various cheques aggregating to Rs.22 lacs from M/s. Batra Investments on account of sale of shares. These receipts had been deposited in the account maintained by the assessee with Centurian Bank of Punjab, copy of which was filed before Assessing Officer. Although the learned DR has pleaded that there was distinguishable features and subsequent judgments to be taken into account by the ITAT, however, no decision of ITAT has been filed before us which is having same facts as of assessee. We also hold that to perpetuate an error is no heroism and to rectify it is the compulsion of the judicial conscience, as held by the Hon'ble Supreme Court in the case of Distributors (Baroda)(P.) Ltd., cited supra. However, the learned DR is failed to pinpoint the error on which order of ITAT and Hon'ble jurisdictional High Court on which the assessee has placed reliance become a compulsion of the judicial conscience. Further, the revenue has failed to establish that the opening stock of the investment of the shares mentioned in the balance sheet (evident from page 34 of the paper book) were not in existence. Similarly, the revenue has also failed to establish that the sales were not genuine. The firm M/s. Batra Investments through which the sales have been effected and

the sale proceeds have been received have not been established as non-genuine. Therefore, in view of these facts, we hold that the issue in question before us is covered in favour of the assessee by the decisions relied upon by assessee in its favour. In the case of ITO vs. Intercity Finvest Pvt. Ltd., cited supra, the transactions of sales of shares through Batra Investments had been held genuine by the order of ITAT, Delhi Bench 'C' wherein the ITAT has held as under :-

“5. We have considered the facts of the case and submissions made before us. It is seen that the assessee had filed the confirmed account from its books of account, showing transactions with M/s Batra Investments. The account shows that 30000 shares of Superior Industries were sold @ Rs. 50/- per share for a consideration of Rs. 15.00 lakh on 05.03.2001. Further, 5000 shares of M/s Surjeet Hire Purchase (P) Ltd. were sold @ Rs. 100/- per share for a total consideration of Rs. 5.00 lakh on 31.3.2001. The assessee received five sums of Rs. 8.00 lakh, Rs. 2.00 lakh, Rs. 2,50,000/-, Rs. 5.00 lakh and Rs. 2,50,000/- on 9.3.2001, 12.3.2001, 15.3.2001, 16.3.2001 and 31.3.2001 respectively. The corresponding sale bills have also been placed in the paper book. Further, it is seen that shares of Superior Industries Ltd. were allotted to the assessee on 01.09.2000 at Rs. 50/- per share consisting of face value of Rs. 10/- and premium of Rs. 40/-. The distinctive numbers of these shares have been placed on record. Further, the share certificates were received on 8.9.2000. Similar information in respect of Surjeet Hire Purchase (P) Ltd. was also placed before the AO. The AO has not disputed that purchase consideration of these shares was not accounted for by the assessee. These very shares were sold through M/s Batra Investments. In such circumstances, the sale proceeds received by the assessee cannot be termed as unexplained credit u/s 68 of the Act. Therefore, we are of the view that the Id. CIT(Appeals) was right in deleting the addition.”

Similarly, recently in the case of ITO vs. Goodwill Cresec Pvt. Ltd., ITAT Bench 'C', New Delhi in ITA no.4151/Del/2010 dated 25.01.2012 held that such transaction has been held genuine on the basis that the shares which were subject matter of sale were standing in the balance sheet of the assessee.

The relevant paras 14 to 16 of the said order is reproduced hereunder :-

“14. We have carefully considered the rival submissions in the light of the material placed before us. In the present case, the assessee had submitted ample evidence which has already been discussed in the above part of this order to contend that the share transaction entered into by it with MKM Finsec Pvt. Ltd. was a genuine transaction. The shares which were subject matter of sale were standing in the balance sheet of the assessee which were subject matter of sale. The party to whom the sales have been made have confirmed the transactions and the transaction was supported by documentary evidence. It is also the case of the assessee that no material has been brought on record by the revenue that the share transaction of the assessee was not genuine. The addition has been made on the basis of information received by the Assessing Officer from the Investigation Wing. It is found that in respect of the very same party an addition of Rs.49,55,300/- was made in the case of ITO vs. Vishal Holding and Capital Pvt. Ltd. (supra) and learned CIT (A) had deleted the addition and the said deletion was contested by the revenue before the Tribunal and it was decided by the Tribunal vide order dated 17th July, 2009 in ITA No.1788/Del/2009 and the order of the CIT (A) was upheld with the following observations:-

“5. We have considered rival contentions and gone through the records. In our view the order of the CIT(A) does not require any interference. First of all the assessee has produced all details in respect of its transactions. Copies of the contract notes and bills, that were issued to it, were all made available. The Assessing Officer has not verified these details and in respect of the material, which has been relied upon by him, he has not provided any findings of the investigation to the assessee. Therefore, in these circumstances, the addition made by the Assessing Officer cannot be said to be on the basis of some evidence that was put to the assessee in the course of assessment proceedings. The learned CIT(A) has correctly deleted the addition and we decline to interfere. Accordingly, order of CIT(A) on the issue in question is upheld.

6. In the result, revenue 's appeal is dismissed.”



15. The aforementioned order of the Tribunal was considered by Hon'ble jurisdictional High Court in the aforementioned case of CIT vs. Vishal Holding and Capital Pvt. Ltd. which is now reported at 200 Taxman 186 and the order of the Tribunal was upheld by the Hon'ble High Court with the following observations:-

“6. We are of the view that the assessee had produced copies of accounts, bills and contract notes issued by M/s. MKM Finsec Pvt. Ltd. and had been maintaining books of account as per Companies Act. The assessee had also demonstrated the purchase and sale of shares over a period of time as seen from the balance sheet/s. In our opinion, the AO has simply acted on the information received from the Investigation Wing without verifying the details furnished by the assessee. The assessee has also produced best possible evidence to support its claim. Consequently the addition made by the Assessing Officer cannot be sustained.

7. In any event, the factual findings of the final fact finding authority are neither perverse nor contrary to record. Accordingly, we find that no substantial question of law arises in the present appeal which, being bereft of merit, is dismissed in limine but with no order as to costs.”

16. In this view of the situation, we find that so far as it relates to issue on merits, the case of the assessee is covered by the aforementioned decision of the Tribunal which has been confirmed by Hon'ble High Court. Therefore, we decline to interfere in the deletion made by the learned CIT (A) and the appeal filed by the revenue is dismissed.”

In the case of ITO vs. Capital Audit Video Limited in ITA No.2921/Del/2011

dated 23.09.2011, the ITAT has held as under :-

“5. We have duly considered the rival contentions and gone through the record carefully. The assessee has purchased the shares in the year 2000. These shares were shown in the books of account. Payment was made through account payee cheques for the purchases. In the year under appeal, these shares alleged to have been sold. Assessing Officer is doubting the sale of shares. The evidence possessed by the Assessing Officer is the statement of certain persons recorded by the investigation wing in 2005. These statements were recorded not by the Assessing Officer and not in presence of the assessee. Thus, they carry the status of information but losses their credibility for reading them as an evidence for doubting the other evidence submitted by the assessee. More so, in this year, there is no unexplained investment. The assessee has just sold the shares. If any addition ought to be made then it is the year in which alleged shares have been purchased. In this year, the shares are no more appearing in the accounts of assessee. Their purchases have not been doubted by the

Assessing Officer, then, the alleged sale proceeds cannot be treated as unexplained cash credits. Learned CIT(Appeals) has appreciated these aspects while deleting the addition. Taking into consideration the facts and circumstances and the evidence on record, we do not find any error in the order of the Learned CIT(Appeals).”

As held by various Benches of ITAT, New Delhi, in assessee’s case also, the opening stock of investment had not been held non-genuine. The stock of investment in shares was available at the beginning of the year. The sale proceeds are credited in its bank account. The revenue had acted only on the basis of information. Similar transactions have been held genuine by various Benches. Considering all these facts and circumstances of the case, we find no fault in the order of the CIT (A) and confirm the same.

11. In the result, the appeal of the revenue is partly allowed.

**Order pronounced in open court on this 29<sup>th</sup> day of February, 2012.**

**Sd/-  
(U.B.S. BEDI)  
JUDICIAL MEMBER**

**sd/-  
(B.C. MEENA)  
ACCOUNTANT MEMBER**

**Dated the 29<sup>th</sup> day of February, 2012**

**TS**

Copy forwarded to:

- 1.Appellant
- 2.Respondent
- 3.CIT
- 4.CIT(A)-VIII, New Delhi.
- 5.CIT(ITAT), New Delhi

**AR, ITAT  
NEW DELHI.**