

IN THE INCOME TAX APPELLATE TRIBUNAL  
AGRA BENCH: AGRA

BEFORE SHRI LALIET KUMAR, JUDICIAL MEMBER, AND  
DR. MITHA LAL MEENA, ACCOUNTANT MEMBER

I.T.A No.212/Agra/2018  
(ASSESSMENT YEAR: 2009-10)

Verma Service Station Bye Pass Road, Firozabad. PAN: AAAFV0442K <b>(Appellant)</b>	<b>Vs.</b>	ACIT, Circle 2(2)(1), Firozabad.  <b>(Respondent)</b>
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<b>Appellant by</b>	<b>Shri R. K. Agarwal &amp; Rahul Agarwal, Advs.</b>
<b>Respondent by</b>	<b>Shri Waseem Arshad, Sr. DR.</b>

<b>Date of Hearing</b>	<b>18.07.2019</b>
<b>Date of Pronouncement</b>	<b>11.09.2019</b>

**ORDER**

**Per Dr. M.L. Meena, A.M.:**

This appeal by the assessee is directed against the order dated 29.12.2017 passed by the Commissioner of Income Tax (Appeals)-2, in respect of A.Y. 2009-10 wherein the assessee has raised the following grounds of appeal:

- 1. Because Ld. Commissioner of Income Tax (Appeals) hereinafter referred to as Ld. CIT (A) grossly erred both in law and on facts in sustaining addition of Rs. 92,00,000/- being the*

*deposit made by the partners despite necessary evidence already on record. The appellant having proved identity, genuineness and creditworthiness of both the partners, the addition sustained by the Ld. CIT (A) is wholly arbitrary, illegal and in utter disregard to the established judicial principles laid down by the various courts including jurisdictional High Court.*

*2. Because the Ld. CIT(A) was wholly unjustified in examining source of source. The examination of source of source in respect of deposit, particularly from partners, is contrary to authoritative judicial pronouncements.*

*3. Because the order is against the law & facts.*

*4. Because the appellant craves leave to alter/ modify grounds before or at the time of hearing of the appeal.*

2. In the present case, return of income for the A.Y. 2009-10 was filed on 29.09.2009 declaring total income of Rs. 4,86,270/-. Subsequently, the case was taken up for scrutiny under CASS and the assessment was completed at a total income of Rs.1,01,55,498/-. In the process of making additions, the AO disallowed a sum of Rs 92,00,000/- unexplained capital of the partner of the firm and that in the assessment order the appellant conceded for the addition. The AO also disallowed interest of Rs.2,85,984/- and Rs.1,83,248/- for which, it was stated that the authorized representative of the assessee conceded.

3. In the first round of appeal, ITAT, Agra Bench, Agra Vide ITA No. 189/Agra/2011 dated 12.08.2015 has restored the matter back to AO holding that since the additions are based on the confession of the counsel of the assessee without investigation the facts, AO should make the assessment again after affording due opportunity to the assessee where the Ld. CIT(A)-II, dismissed the appeal in limine by holding that no appeal is maintainable since the assessment order was passed on the confession of the assessee.

4. In the 2<sup>nd</sup> round of assessment, the assessee again could not explain the source of capital introduction of Rs.92,00,000/- and hence the same was again treated as unaccounted income of the assessee under section 68 and added to the total income of the assessee.

5. Aggrieved by such addition in total income of the assessee, assessee has filed this appeal before CIT(A) -II, Agra in 2<sup>nd</sup> round where she has after going through the affidavit of both the partners regarding source of receipts of deposits and written submissions filed by the assessee confirmed the addition of Rs.92,00,000/- unexplained capital introduction by observing as follows:

*5.3 I have gone through the assessment order, submissions of the assessee and legal position in this regard. It is seen that the two partners Sri Naveen Chandra Verma & Smt. Bharti Verma have deposited*

*Rs.65,00,000/- and Rs.27,00,000/- in cash. It was explained that this cash has been received against advance for sale of land in individual hands. During the course of assessment proceedings AO has specifically asked for the evidence of holding of land, agreement with the purchasers and date / mode / source of receipts. However, the assessee could not furnish any details before the assessing officer, it was further seen that AO has issue summons dated 10.05.2016 for attendance on 18.05.2016 and thereafter, on 14.07.2016 and 23.08.2016 but no compliance to any summons was made and no documents in support of contention that these amounts are received from sale of land were filed.*

*5.4 During the course of appellate proceedings assessee was again asked that the partner should be produced with all these documentary proofs for receipt of cash against advance for sale of land. However, during the appellate proceedings also could not file any evidence regarding cash received against advance as also the partners were not produced to give their statement. In this connection, emphasis on production of the partners during appellate proceedings was made as before the ITAT, the counsel of the assessee has accepted that these are unaccounted income in the hands of the assessee but it was held that the confession of the counsel of the assessee is not valid in law and the case has been set aside to the file of the Assessing Officer.*

*5.5 In this connection, in the case of Venus Auto which is a sister company of the assessee, it is seen that in the A.Y. 2009-10 that is the same assessment year the transactions that were explained by the assessee before the AO were that the M/s Venus Auto has transferred*

*Rs.62,00,000/- to M/S Krishna Bulk Movers (P) Ltd. and thereafter M/s Krishna Bulk Movers (P) Ltd. has transferred this amount to M/s Verma Service Station (P) Ltd. Copy of all these accounts were available in the case of Venus Auto and hence, assessee's contention that this amount has now come from some advance for land sold seems to be after thought not supported by any documentary evidence. Under these circumstances, AO is correct in holding these credits as unexplained in the hands of the assessee.*

*5.6 In the context of cash deposits in the bank account, when the Assessing Officer starts enquiry, specifically to satisfy himself of the source of such cash credit, and if during the enquiry, he is satisfied that the entries are not genuine, then he has every right to add the said sum represented by such credit entry as income of the assessee. The satisfaction of the assessing officer is the basis of invocation of provisions of Section 68.*

*Under Section 68, the onus is on the assessee to offer explanation where any sum is found credited in the books of account and where the assessee fails to prove to the satisfaction of the Assessing Officer, the source and nature of the amount of cash credits, he is entitled to draw an inference that the credit entries represent income taxable in the hands of the assessee. It is not the duty of the Assessing Officer to locate the exact source of the cash credits. The burden to identify the source lies upon the assessee and he is required to explain the genuineness of the credit entry.*

5.6.1 *The issue of cash credit has always been a matter of vexed litigation. Section 68 enacts a golden rule of evidence which is not in dispute, i.e., if any sum is found credited in the books of account of an assessee, the onus is on him to explain the said entry. The principle embodied in Section 68 is only a statutory recognition of what was always understood to be the law based upon the rule that the burden of proof is on the taxpayer to prove the genuineness of borrowings since the relevant facts are exclusively within his knowledge. Even before the enactment of Section 68, this rule of evidence was applicable vide Kale Khan Mohammed Hanif v. CIT [1963] 50 ITR 1(SC).*

*The expression "nature and source" in Section 68 has to be understood together as a requirement of identification of the source and the nature of the source, so that the genuineness or otherwise could be inferred.*

5.6.2 *The onus does not get discharged merely by such confirmatory letters as found in CIT Vs. United Commercial and Industrial Co. (Pvt.) Ltd, (1991) 187 ITR 596 (Cal), nor is the fact that the amount is received by account payee cheques is sacrosanct as was pointed out in CIT vs. Precision Finance Pvt. Ltd. (1994) 208 ITR 465 (Cal). This view was further held in the case of Nemi Chand Kothari v. CIT [2003] 264 ITR 254 (Gau.) where in it was held that it cannot be said that a transaction, which takes place by way of cheque, is invariably sacrosanct. Once the assessee has proved the identity of his creditors the genuineness of the transactions, and the creditworthiness of his creditors vis-a-vis the transactions which he had with the creditors, his burden stands discharged and the burden then shifts to the revenue to show that though*

*covered by cheques, the amounts in question, actually belonged to, or was owned by the assessee himself. Even the particulars from assessment records, where the creditor is assessed, may not be sufficient as observed in CIT vs. Korlay Trading Co., Ltd. (1998) 238 ITR 820 (Cal).*

*Further, in the case of Kamal Motors v. CIT [2003] 131 Taxman 155 (Raj.). It was held that the responsibility is on the assessee to discharge the onus that the cash creditor is a man of means to allow the cash credit. The burden to prove the source of receipt is in respect of each entry as held in the case of CIT v. R.S. Rathore [1995] 212 ITR 390 (Raj.), that while explaining the various credits and investments, it is possible that the assessee may be successful in explaining some of them, but that does not by itself mean that the entire investments has to be considered as explained. It is each and individual entry on which the mind has to be applied by the taxing authority when an explanation is offered by the assessee. 5.6.3 On the issue of burden of proof a very specific and illustrious decision was from the Hon. Calcutta High Court in CIT vs. Precision Finance Pvt. Ltd. (1994) 208 ITR 465 (Cal) where in it was laid down that the assessee is expected to establish:-*

- 1. Identity of his creditors; .*
- 2. Capacity of creditors to advance money; and*
- 3. Genuineness of transaction.*

*As to the issue of genuineness of transaction, it was further held in the above decision that the transaction is not genuine, simply because some,*

*out of many, of the transactions are by cheque. Where certain sum of money claimed by the assessee to have been borrowed in his bank from earlier advances from certain persons, it is for the assessee to prove, by cogent and proper evidence, that they are the genuine deposits for the reason that the facts are exclusively within the assessee's knowledge.*

*In fact, the principle of onus, that the assessee is required to establish the identity, prove the genuineness of the transaction and establish the creditworthiness of the donor, has been reiterated even in a recent decision of Hon. Delhi High Court in the case of CIT vs. Oasis Hospitalities Pvt. Ltd., 333 ITR 119 (Delhi)(2011). In this case it was held by the Hon. Court that “The initial onus is upon the assessee to establish three things necessary to obviate the mischief of Section 68. Those are: (i) identity of the investors; (ii) their creditworthiness/investments; and (iii) genuineness of the transaction. Only when these three ingredients are established prima facie, the department is required to undertake further exercise.*

*5.6.4 A decision of Hon. ITAT Agra Bench in the case of Smt. Suman Gupta vs. Income-tax Officer, Ward 1, Aligarh [2012] 25 taxmann.com 220 (Agra) may also be referred to on this issue. In this case the assessee was found to have received Rs. 13 lakh as loans from six persons. Assessing Officer noted that immediately before amounts were lent to assessee, identical amounts were deposited in bank accounts of said persons. Assessee could produce only one lender for examination. Assessing Officer found that lenders had no creditworthiness to give loan as they had very small bank balances and were earning small*



*income. In the given facts, it was held by the Tribunal that it was money of assessee which was routed through bank accounts of lenders for purpose of giving credits to assessee and entries were only accommodation entries and as such, could not be considered as genuine transactions.*

*As discussed in the foregoing paragraphs, it is held in a number of case laws that if any sum is found credited in the bank accounts or in the books of accounts of the assessee, the onus to prove the nature and source of such deposits with supporting documentary evidence is on the assessee.*

5.7 *In this case initially when assessee could not explain the nature and source of these cash deposits, the counsel of the assessee has accepted in the first round of the assessment that this is unaccounted income of the assessee. Thereafter he explained that it is by sale of lands in the hands of the partners, but could not produce any documentary evidence to that effect. It is noted that in the case of M/s Venus Auto, assessee has himself mentioned it as amount from M/s Krishna Bulk Movers (P) Ltd., who has transferred this amount to M/s Verma Service Station (P) Ltd. Thus assessee is changing his explanation at different places.*

*In spite of AO issuing summons to partners, they did not attend to show the real nature of these transactions. Hence when partners have not attended on issue of summons under section 131, the onus is on the assessee to show the real transactions.*

*Since assessee could not explain the nature and source of cash deposits in the account, AO is correct in law treating the same as undisclosed income of the assessee under section 68 of the Income Tax Act. Hence addition of Rs. 92,00,000/- made by the AO on this account is hereby confirmed.*

6. The ld. AR for the assessee reiterated the submission made before the Authorities below he contended that the appellant is a partnership firm comprising of two partners, namely sh. Naveen Chand Verma and Smt. Bharti Verma in compliance to AO's query after the original assessment being set aside by the ITAT, Agra Bench the appellant submitted before the AO that the capital contribution has been made by the partners of Rs.65 lacs and 27 lacs from their own sources. It was further submitted that both the partners are assessed to income tax and are maintaining their individual books of account. The AO however, made addition of entire deposits made by the partners. On appeal before the ld. CIT(A), the addition made by the AO has been sustained vide para 5. To 9 of the impugned order without appreciating the facts of the case.He has filed affidavits balance sheets etc. documents of partners of the firms as additional evidence in Rule 29 of ITAT Rules, is admitted. (APB-pg.1-20). The ld. AR further contended that the evidence of computation of income ITR-V copy of account and balance sheet as well as affidavit of respective partners have been arbitrarily ignored by the ld.

CIT(A). He has urged to delete the addition. The counsel of the assessee has placed reliance on the Plethora of Judgment as follows:

1. *CIT vs. Noorjahan, 237 ITR 570 (SC)*
2. *CIT vs. Orissa Corporation 159 ITR 78 (SC)*
3. *CIT vs. Daulatram 87 ITR 349 (SC)*
4. *CIT vs. V.S. Kamaljeet Singh 147 Taxman 18 (All.).*
5. *CIT vs. Johrimal Goyal 147 Taxman 448 (Alld).*
6. *Dwarikadhish Sugar Industries vs. ITO, in ITA No. 115/Lkw/2011, dated 24.05.2012. ITAT, Lucknow. (TM)*
7. *CIT vs. Jaiswal Motor Finance 141 ITR 706 (All. High Court).*
8. *Shri Avtar Singh Darshan Singh vs. ACIT in ITA No. 455/Agra/2011, Dated 26.07.2013 (ITAT, Agra).*
9. *ITO vs. M/s prestressed Concrete Industries, in ITA No.167/Agra/2011 dated 15.05.2012 (ITAT, Agra).*

7. The respondent DR placed heavy reliance on the impugned order. He has drawn our attention to APB page no. 4, 7, and 9 the return of income, balance sheet and ledger account of M/s Verma service station in the books of Sh. Naveen Chandra Verma partner of the firm emphasizing that though he has meagre income of Rs.4,21,280/- and opening balance with Rs.1,00,000/- to deposit in the firm as on 01.04.2008 and further payment of Rs.50,00,000/- to the credit of following accounts as on 06.05.2008 has been made detailed as under:

Debit	Credit
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Verma Service Station Rs.50,00,000/- 06.05.2008	Ch. No. 258042, From Rama Rama Rs.8 lacs
	Hara Hara Rs.12, lacs
	KrashnaKrashna Rs.10 lacs
	Venus Automative Services Pvt. Ltd. Rs.10 lacs
	Verma Service Station Pvt. Rs.10 lacs

The Id. DR contended that Sh. Naveen Chandra Verma has meagre income as per income return is only from interest on ostensible deposits in the firm is to be held unexplained.

7.1 The Id. DR while referring to the copy of balance sheet APB page no. 7, pointed out that assessee has shown an agricultural land for Rs.10,07,560/- as per sale deed shown on the asset side of the balance sheet whereas he has shown advances sale of land at Rs.68,50,000/-. Thus, there was a discrepancy in the amount of consideration shown against the sale of agricultural land which cannot be more than Rs. 10,07,560/- the value as per the registered sale deed of the property and thereby the difference of Rs.Rs.68,50,000/- (-) Rs.10,07,560/- = Rs.58,42,440/- remained unexplained liability against sale of land as per the balance sheet in the hands of the assessee. Copy of balance sheet is reproduced for ready reference:

<b>Liabilities</b>	as at 31 -Mar-2009	<b>Assets</b>	as at 31-Mar-2009
<b>Capital Account</b>	<b>21,27,025.52</b>	<b>Fixed Assets</b>	<b>34,81,684.00</b>
<i>Capital Account</i>	<i>21,27,024.27</i>	<i>Building Under Cons.</i>	<i>23,32,637.00</i>
<i>Shri Mahaveer Ji</i>	<i>1.25</i>	<i>Container UP83B9621</i>	<i>44,867.00</i>
		<i>Gold</i>	<i>83,870.00</i>
<b>Loans (Liability)</b>	<b>1,57,60,726.00</b>	<i>Land</i>	<i>10,07,560.00</i>
<i>Secured Loans</i>	<i>28,01,674.00</i>	<i>Mobile (Nokia 6670)</i>	<i>12,750.00</i>
<i>Unsecured Loans</i>	<i>52,72,065.00</i>		
<i>Advance Against Sale of Land</i>	<i>68,50,000.00</i>	<b>Investments</b>	<b>50,23,797.06</b>
<i>Vibhav Kumar</i>	<i>8,36,987.00</i>	<i>Flate at Parshvnath at Panorma.G.Noida</i>	<i>42,07,621.00</i>
		<i>Gh'aziabad Dev. Authority</i>	<i>500.00</i>
<b>Current Liabilities</b>	<b>8,55,290.00</b>	<i>Jay Pee Infratech Limited. (Klassic)</i>	<i>2,00,000.00</i>
<i>Venus Automotive Service Indie (P)</i>	<i>8,55,290.00</i>	<i>Shares VSS (P) Ltd.</i>	<i>25,000.00</i>
		<i>SNG Developers</i>	<i>4,23,938.00</i>
<b>Suspense A/c</b>		<i>Tata Finance Ltd.</i>	<i>12,603.81</i>
		<i>UPSIDC</i>	<i>1,54,134.25</i>
<b>Profit &amp; Loss A/c</b>		<b>Current Assets</b>	<b>1,02,37,560.46</b>
<i>Opening Balance</i>		<i>Cash-in-hand</i>	<i>1,29,006.14</i>
<i>Current Period</i>		<i>Bank Accounts</i>	<i>26,069.34</i>
		<i>Nannurrial Verma</i>	<i>3,00,000.00</i>
		<i>RAMA RAMA Infratech (P) Ltd.</i>	<i>5,00,000.00</i>
		<i>S. S. Constructions</i>	<i>17,19,744.00</i>
		<i>JVerma Service Station</i>	<i>75,62,740.98</i>
<b>Total</b>	<b>1,87,43,041.52</b>	<b>Total</b>	<b>1,87,43,041.52</b>

7.2 The Id. DR further argued that APB 3 and APB 15, is an affidavit filed by Sh. Naveen Chandra Verma and Smt. Bharti verma W/o Sh. Naveen Chandra Verma respectively, wherein vide point no. 2, both states to have deposited in cash, a sum of Rs. 65 lacs and Rs.27 lacs in their respective accounts with the firm on different dates pertaining to F.Y. 2008-09. These deposits were made out of cash in

hand available with the deponent although as per their return income they have disclosed a returned income of Rs.4,21,280/- and Rs.2,30,590/- respectively for the relevant assessment year. The ld. DR had contended that the explanation has to be accompanied by 'evidence'.

7.3 The ld. DR in support rely on the following judgments:

1. Shri Banarsi Prasad vs. CIT All. High Court dated 29.02.2008
2. CIT vs. Dr. G. G. Dheer, ITA No.55/2010 All. High Court dated March 31<sup>st</sup> 2017.
3. Bisakha Sales Pvt. Ltd. Vs. CIT(A), 1493/2013 ITAT (Cal)
4. Rajmandir States Pvt. Ltd. Vs. Pr. CIT, ITA No. 113/2016 (Cal)

7.4 The Ld. DR contended that the assessee has itself conceded in the original assessment that Rs.92,00,000/- as its unexplained income in respect of unexplained capital deposit made by the partner; that in the 2<sup>nd</sup> round of assessment proceeding's in compliance to the directions of the Agra Bench, the assessee failed to explain source of deposit of partners' capital of Rs. 92, 00,00,000/- and in turn substantiate the credit in the books of assessee appellant firm in terms of provisions of sections 68 of the act. Merely, filing of an affidavit of the partner would not sufficient to discharge the assessee's primary onus of credit liability to verify the three ingredients the identity, credit worthiness and genuineness of the transaction.

8. Heard both the sides, perused the material on record and the case laws relied upon in support. On enquiry being conducted by the AO in compliance to the directions by ITAT, Agra Bench noted that during the year Sh. Naveen Chandra Verma and Smt. Bharti Verma partner of the firm have cash deposited worth Rs.65 lacs and Rs.27 lacs respectively with the appellant assessee M/s Verma Service Station, Firozabad. The AO has made addition of said deposit made by both the partners in absence of corroborative documentary evidences to explain the source of deposits excepts self-certified affidavits.

9. The Id. CIT(A) has considered the written reply submitted by the AR of the assessee, self-certified affidavits and copy of ledger accounts produced. The Id. CIT(A) has noted that the assessee has explained that the two partners Sh. Naveen Chandra Verma and Smt. Bharti Verma have deposited Rs.65 lacs and Rs.27 lacs in cash out of the cash receipts against advanced sale of land in individual hence however, the assessee could not furnish any details evidence of holding of land, agreement with the purchasers and date/mode of source of receipts either before the AO or before the Id. CIT(A). Moreover, the assessee had made no compliance to the summons issued dated 10.5.2016 for attendance on 18.05.2016 and thereon 14.07.2016 and 23.08.2016. No documents have been furnished before the Authorities below in support of the contention that these amounts received for the

sale of lands. The Id. CIT(A) further noted that during the appellate proceedings also the assessee could not file any evidence regarding cash receipts against advance of sale of land as also the partners were not produced to give their statements.

10. In the case of Jagmohan Ram Ram Chandra vs. CIT (2005) 274 ITR 405 (All) wherevide para 20 and 21 held as under:

*“20. In the case of Jairamdass Lokesh Kumar (supra), the Rajasthan High Court has held that the assessment of different persons in respect of the same income will not absolve one from liability to be taxed. It has held as follows:*

*“We are of the opinion that in view of the decision of the Supreme Court in Jain Brothers v. Union of India (1970) 77 ITR 107 (SC), it should be no more in doubt that the assessment of different persons in respect of the very same income will not absolve one from liability to be taxed de hors the finding recorded in one proceeding with reference to the finding recorded in somebody else’s assessment. If in the case of A it has been found that A has earned income, then the obligation is on A to be assessed and pay tax on the income earned by him.*

*21. Thus, from the aforesaid decisions, it is settled that if an entry of cash credits is found in the books of account of a firm, it is for the firm to give explanation regarding identity and source of such deposits and if the explanation is disbelieved then it is to be added as an income Under Section 68 of the Act in the hands of the firm. Similarly, if an assessee, who is a partner in the partnership firm, has made investments which are not recorded in the books of account maintained by him for any source of income and the explanation given by the partner of individual regarding source of deposits is disbelieved, then such deposits which are invested can be brought to tax as income from undisclosed sources Under Section 69 of the Act. There is no question of any double taxation. Full effect of the deeming*



*provisions and the presumption provided u/s 68 and 69 of the Act has to be given the partnership firm and the partners being treated as separate assessee under the Act, assessment of income at the hands of different assessee under different provisions of Act is permissible.”*

11. The case law referred by the Id. AR for the assessee does not apply to the peculiar facts of the present case. The facts involved therein a credits appearing on the very first day of accounting year whereas in the present case the credits have been introduced by the partners during the year being explained by the assessee before the AO that the assessee sister concern M/s Venus Auto has transferred Rs.62 lacs to M/s Krishna Bulk Movers (P) Ltd. and thereafter M/s Krishna Bulk Movers P. Ltd. has transferred this amount to M/s Verma Service Station P. Ltd. In the first round of proceedings and in the second round proceedings assessee's contention has changed to have received some advanced for land sold was not supported by any documentary evidence except self-certified evident of advance receipts against sale of land which are contrary to the value of the sale of land shown in the balance sheet as above. None of the cases relied by the Id. AR are applicable to the peculiar facts of the case at hands.

12. Whereas cash receipts of Rs.35,00,000/- and Rs.33,50,000/- as on 10.04.2008 and 01.11.2008 respectively shown to be receipt as an advanced against the sale of land has not been demonstrated with the corroborative supportive evidences, in the second round of proceedings from the level of AO to

the argument and contentions raised before us. It is worthy mention that in the first round of proceeding the assessee has explained the source of such cash credits that the M/s Venus Auto has transferred Rs.62,00,000/- to M/S Krishna Bulk Movers (P) Ltd. and thereafter M/s Krishna Bulk Movers (P) Ltd. has transferred this amount to M/s Verma Service Station (P) Ltd. Copy of all these accounts were available in the case of Venus Auto and hence, assessee's contention that this amount has now come from some advance for land sold held to be after thought were being not supported by any documentary evidence and these concerns were having zero sales turnover. Again, the value of the land has been shown to be sold as Rs.10 lacs as evident from the balance sheet of the firm M/s Verma Service Station as above. Under these circumstances, AO was correct in holding these credits as unexplained in the hands of the assessee and the Id. CIT(A) was justified in confirming the addition as unexplained capital of the assessee firm u/s 68 of the Act.

13. Considering the factual matrix and legal proposition of law we are of the considered opinion that the facts of case on hand demonstrate unexplained cash deposit in the books of account of M/s Verma Service Station P. Ltd. for which neither the assessee firm nor the partners could give any evidence or satisfactory explanation regarding identity and source of such deposits and therefore,

disbelieving the contrary explanation offered by the appellant assessee in the two round of proceedings before the Tribunal and the Authorities below without substantiating with corroborative documentary evidences, the addition of Rs.92,00,000/- is confirmed as unexplained capital u/s 68 of the Act in the hands of the firm.

14. Following the jurisdictional Hon'ble Allahabad High Court in the case of Jagmohan Ram Chandra Vs. CIT (supra), we hereby upheld the order the Id. CIT(A) and confirmed the addition of Rs.92,00,000/-.

15. In the result, the appeal of the assessee is dismissed.

**Order pronounced in the open court on 11/09/2019.**

**Sd/-  
(Laliet Kumar)  
JUDICIAL MEMBER**

**Sd/-  
(Dr. M.L. Meena)  
ACCOUNTANT MEMBER**

\*AKV\*

Copy forwarded to:

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

Sr. Private Secretary,  
ITAT, Agra