

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

**BEFORE SHRI B.C. MEENA, ACCOUNTANT MEMBER
and
SHRI C.M. GARG, JUDICIAL MEMBER**

**ITA No.2821/Del./2011
(Assessment Year : 2003-04)**

ITO, Ward 15 (2),
New Delhi.

vs. M/s. Rakam Money Matters P. Ltd.,
A – 3/207, Janakpuri,
New Delhi.

(PAN : AAACR4028G)

(Appellant)

(Respondent)

Assessee by : Shri Ved Jain, CA
Revenue by : Shri Manoj Kumar Chopra, Senior DR

ORDER

PER B.C. MEENA, ACCOUNTANT MEMBER :

This appeal filed by the Revenue emanates from the order of the CIT(Appeals)-XVIII, New Delhi dated 18.03.2011 for the Assessment Year 2003-04.

2. Original return of income was submitted on 02.11.2003 declaring income at Rs.5,64,556/-. The case was reopened by issuing notice u/s 148 of the Income-tax Act, 1961 dated 19.02.2010. This reopening was based on the information received from Investigation Wing with regard to share application money received by assessee. The relevant portion of Assessing Officer's order read as under :-

“ It was noticed from the list of entries that the assessee M/s Rakam Money Matters (P) Ltd. has taken the following accommodation entry from the following person as per details hereunder:-

| Amount | Instrument No. | Date | Name of entry provider | Name of Bank | Name of Branch | A/c No. |
|--------|----------------|-----------|--------------------------|--------------|----------------|---------|
| 500750 | 697367 | 30-Jul-02 | Chanakya Finvest P. Ltd. | CORPN | KB | 3675 |
| 500750 | | 26-Sep-02 | Royal Credits P.Ltd. | SBP | DG | 50078 |

Further it was also noticed during the assessment proceedings that the assessee had also received share application money from M/s Team Plus Securities Ltd, M/s MPN Fincap Pvt. Ltd, M/s Neelkant Shares P. Ltd, M/s Ashian Needles P. Ltd, M/s Paras Fincap P. Ltd and M/s KVF Securities P. Ltd, who are also mentioned in the said report as entry providers.

In order to prove the genuineness of the credit of Rs.60 lacs as share application money, the assessee was vide order sheet entry dated 15/12/2010 asked to produce the Directors of the above mentioned companies from which share application money has been received. The assessee filed reply dated 22/12/2010, and nobody was produced.

The assessee in support of the share capital of Rs.60,00,000/-, vide letter dated 22.12.2010 filed copy of ITRs Share application forms etc and affidavit of the Directors of these companies. Summons were issued to the Directors of these companies for 28.12.2010. However none attended.

Although the receipts of share application money of Rs.60 Lacs was through banking channels, this fact by itself is not sufficient to prove the genuineness of the persons who gave the share application money or their creditworthiness. A perusal of the bank account of the above mentioned companies reveal as well as prove that they are mere conduits utilized by the entry operators for providing bogus accommodation entries to interested parties. The balances in their bank accounts are

very low on a given date after which substantial amounts are deposited either by cheques or by cash to increase the balance but invariable within a day or two the same is withdrawn or transferred to some other account bringing the balance down. The process is repeated over and over again many times although the P&L A/c of the assessee reveals no business activity worthy of mention.

It is further seen from the table give above that in respect of all the above mentioned share applicants, no interest has been charged on loans and advances and also no interest has been received by these companies. The Directors of these companies do not put in any work. It is not possible that these companies work for no gain/income. These share applicants in this case do not have any source of income of the stature that would enable them to give large amounts of share application money as has been given by them to the assessee company. The onus to prove their creditworthiness squarely lay on the assessee but it has totally failed to discharge the onus cast on it. In these circumstances there is no alternative left than to draw an adverse inference regarding the creditworthiness of the four share applicants.

The assessee company was vide order sheet entry dated 15.12.2010 asked to produce the Directors of the companies from which the share application money has been received. The assessee has not produced them and hence has not discharged its onus to prove the genuineness of the share applicants.

Hence I hold that the share application money received of Rs.85 Lakh from M/s Team Plus Securities Ltd, M/s MPN Fincap Pvt. Ltd, M/s Neelkant Shares P. Ltd, M/s Ashian Needles P. Ltd, M/s Paras Fincap P. Ltd, M/s KVF Securities P. Ltd, as income of the assessee u/s 68 of IT Act.”

2.1 The CIT (A) has deleted the addition by holding as under :-

“5.1 I have carefully considered the reassessment order and the submissions made by the Id. AR on the above issue. It is argued by the Id. AR that the impugned share application money of Rs.60,00,000/- had been received from 8 companies,

viz. M/s Team Plus Securities Ltd. (Rs.500000/-), M/s. Chanakya Finvest Pvt. Ltd. (Rs.500000/-), M/s. MPN Fincap Pvt. Ltd. (Rs.1150000/-), M/s. Neelkant Shares P Ltd. (Rs.350000/-), M/s. Ashian Needles P. Ltd. (Rs.1000000/-), M/s. Paras Fincap P. Ltd. (Rs.1000000/-), M/s. Royal Credit Pvt. Ltd. (Rs.500000/-) and M/s KVF Securities P Ltd.(Rs.1000000/-). All the above amounts have been paid by account payee cheques. The appellant had filed copies of confirmation I affidavit from the said companies confirming the payment of the above amount as share application money, copies of bank statements, copies of Income-tax returns, copy of PAN cards, copies of Demand drafts, Balance Sheets, copy of Certificates of Incorporation and Memorandum and Articles of Association, copy of ROC details showing the status of the companies as "active", copy of share application forms etc. of the respective investor companies before the AO in support of its claim. It is argued by the Id. AR that the appellant has discharged its initial onus with regard to the above transactions. It is argued that the addition has been made by the AO merely on the basis of information received from the Investigation Wing which was at the back of the appellant and due to non-production of the Directors of the above companies. Further, it is argued that opportunity of cross examination was not provided to the appellant. It is also argued that even in the event of the investor companies being bogus, as alleged, no addition can be made u/s 68 in the hands of the appellant company. The Id. AR has accordingly argued that the said addition of Rs.60,00,000/- u/s 68 made by the AO in the hands of the appellant company is illegal. The Id. AR has relied upon a plethora of case laws in support of his claim. On careful consideration of the matter, I find that the above contention of the Id. AR cannot be rejected on merit. The AO has also not been able to bring on record any valid material evidence to disprove the claim of the appellant in this regard.

5.2. Further, I find that the established legal position on the subject under consideration as adopted in a large number of case laws is as follows :-

5.2.1. As held in the case of R.B. Mittal v. CIT 246 ITR 283 (AP) in an enquiry u/s 68, the rule of *audi alteram partem* has to be observed and the assessee must be given a fair and

reasonable hearing to discharge the burden cast on him u/s 68 of the Act.

5.2.2. Further, it is settled law that in the matter of cash credit, the initial onus lies on the assessee to prove the genuineness of the transaction alongwith the identity of the lender/investor and his creditworthiness. Having done so, the appellant in the instant case has discharged the onus cast upon it. Beyond this, for the charge of unexplained cash credit to stick, the onus lies on the AO to disprove the claim of the assessee by establishing that the evidence filed by the assessee was false and by bringing new material on record and failure to do so would vitiate the addition made on this count. Reference in this regard can be made the decisions in the case of CIT v. Orissa Corporation Pvt. Ltd. 158 ITR 78 (SC) and CIT v. Rohini Builders 256 ITR 360 (Guj.). It was also held in the case of CIT v. Bedi & Co. P. Ltd. (1998) 230 ITR 580 (SC) that where prima-facie the inference on facts is that the assessee's explanation is probable, the onus will shift to the revenue to disprove it and the assessee's explanation in such case cannot be rejected on mere surmises. Further, it was held in Khandelwal Constructions v. CIT (1997) 227 ITR 900 (Gau.) that since the satisfaction of the AO is the basis for invocation of the powers u/s 68, such satisfaction must be derived from relevant factors on the basis of proper inquiry by the AO and such inquiry must be reasonable and just.

5.2.3. It is also settled law that it is mandatory for the AO to confront the assessee with any material collected by the AO at the back of the assessee, and in case of statement of third party recorded at the back of the assessee, opportunity of cross examination has to be offered to the assessee, failing which the said material/statement etc. will be rendered on unreliable and additions made on the basis of such material/statement etc. shall be rendered illegal. Reference in this regard can be made to the decisions in the case of R.B. Shreeram Durga Prasad 176 ITR 169 (SC), 125 ITR 713 (SC), Jindal Vegetable (order of Hon'ble Delhi High Court in ITA no. 428 of 2007, 174 Taxmann 440 (Raj.) and Laxman Bhai Patel (order of Hon'ble Gujarat High Court dated 22.07.2008 in ITR no. 41/1997).

5.2.4. Further, in the case of N.P. Garodia (order dated 13.01.2009 of Hon'ble P & H High Court in ITA no. 808 of

2008) and in the case of Brij Pal Sharma (order dated 17.02.2009 in ITA no. 685 of 2008 of Hon'ble P & H High Court) it' was held that where the assessee provides identity and details pertaining to the lenders/creditors and is unable to produce them and requests the AO to issue summons u/s 131 for their attendance, it is the duty of the AO to issue such summons, failing which the addition would get deleted. It is also held in CIT v. Orissa Corporation Pvt. Ltd. 158 ITR 78 (SC) and Anis Ahmed 297 ITR 441 (SC) that mere non-production of the lender/shareholder cannot be a ground for making addition u/s 68.

5.2.5. Similarly as held in the case of CIT v. Metachem Industries (2000) 245 ITR 160 (MP) where a credit is shown to have come from a person other than the assessee, there is no further responsibility of the assessee to show that it has come from accounted source of the lender, as long as the fact that he had made the advance and was capable of making the advance are established. It was held by the Hon'ble Madras High Court in Hastimal (S) v. CIT (1963) 49 ITR 273 that after a lapse of decade, the assessee should not be placed upon the rack and called upon to explain not merely the origin and source of a capital contribution, but also the origin of origin and source of the source.

5.2.6 Further, I find that the Apex Court in CIT v Lovely Exports (P) Ltd. (2008) 216 CTR 195 held that the even if the share application money received by the appellant company is from alleged bogus shareholder, whose identity is produced by the appellant company, the revenue can always proceed against such shareholders and if necessary reopen their individual assessment. Similar decision is also taken in the case of CIT v. Steller Investment Ltd. (1991) 192 ITR 287 (Del.), (2000) 251 ITR 287 (SC), CIT v. Sophia Finance Ltd. 205 ITR 98 (Del.)(FB), CIT v. Divine Leasing & Finance Ltd. (SLP no. CC 375/2008 arising out of ITA no. 53/2005 of the High Court of Delhi), CIT (Kolkata) v. M/s Shipra Retailers (P) Ltd. (SLP no. CC 451/2008 arising out of ITA no. 576/2004 of the High Court of Calcutta), CIT v. Pondy Metal & Rolling Mills (P) Ltd. (SLP no. CC 12860/2007 arising out of ITA no. 788/2006 of the High Court of Delhi) and CIT v. General Exports Ltd. (SLP no. 21349/2007 arising out of ITA no. 880/2006 of the High Court of Delhi). Following the

aforesaid decision of the Apex Court in CIT v. Lovely Exports (P) Ltd. (supra), the Hon'ble Mumbai High Court in the recent judgement in the case of CIT v Creative World Telifilms Ltd. (order dated 12.10.2009 in ITA(L) no. 2182 of 2009) has held as under :

"The question sought to be raised in the appeal was also raised before the Tribunal and the Tribunal was pleased to follow the judgement of the Apex Court in the case of CIT vs. Lovely Exports (P) Ltd. reported in (2008) 216 CTR 195 (SC) wherein the Apex Court observed that if the share application money is received by the assessee company from alleged bogus shareholders, whose names are given to the assessing officer, then the department can always proceed against them and if necessary reopen their individual assessments. In the case in hand, it is not disputed that the assessee has given the details of name and address of the shareholders, their PANIGIR number and had also given the cheque number, name of the bank. It was expected on the part of the assessing officer to make proper investigation and reach the shareholders. The assessing officer did nothing except issuing summons which was ultimately returned back with an endorsement 'not tenable'. In our considered view, the assessing officer ought to have found out their details through PAN Card, Bank Account details or from their bankers so as to reach the shareholders since all the relevant material details and particulars were given by the assessee to the assessing officer. In the above circumstances, the view taken by the Tribunal cannot be faulted. No substantial question of law is involved in the appeal. In the result, the appeal is dismissed in liminni with no order as to costs."

Similar decision has also been taken by the Hon'ble Chhattisgath High Court in ACIT v Venkateshwar Ispat Pvt. Ltd. (2009) 319 ITR 393.

5.2.7. Further, the Hon'ble Delhi High Court relying on the judgement of the Apex Court in Lovely Exports Pvt. Ltd. (supra) has dismissed the department's appeals in limine vide its recent orders in the case of CIT v. Dwarkadhish Investment

Pvt. Ltd. and Dwarkadhish Capital Pvt. Ltd (ITA nos. 911/2010 and 913/2010 order dated 02.08.2010), CIT v. Green Tech Tower Builders Pvt. Ltd. (ITA no. 1113/2010 order dated 12.08.2010) and CIT v. Ultratech Finance & Investment Ltd. (ITA no. 1122/2010 order dated 12.08.2010). In the case of Dwarkadhish Investment Pvt. Ltd. and Dwarakdhish Capital Pvt. Ltd. (supra) the Hon'ble jurisdictional High Court vide its common order dated 02.08.2010 has inter alia observed as under :

"7. Consequently, the doctrine of merger would apply and the judgment of the Supreme Court in Lovely Exports (P) Ltd. (supra) would cover the field with regard to interpretation of Section 68 of Act, 1961.

8. In any matter, the onus of proof is not a static one. Though in Section 68 proceedings, the initial burden of proof lies on the assessee yet once he proves the identity of the creditors/share applicants by either furnishing their PAN number or income tax assessment number and shows the genuineness of transaction by showing money in his books either by account payee cheque or by draft or by any other mode, then the onus of proof would shift to the Revenue. Just because the creditors/share applicants could not be found at the address given. It would not give the Revenue the right to invoke Section 68. One must not lose sight of the fact that it is the Revenue which has all the power and wherewithal to trace any person. Moreover, it is settled law that the assessee need not to prove the "source of source".

.....

10. We are also informed that a Special Leave Petition against the aforesaid Division Bench judgment in the case of the respondent- assessee has been dismissed by the Supreme Court. Accordingly, we are of the opinion that no question of law arises in the present cases as the matter is fully covered by the judgment of the Supreme Court in Lovely Exports (P) Ltd. (supra) as well as the Division Bench judgment of this Court in the case of the respondent-assessee itself.

11. Consequently, we are of the view that the present appeals amount to relitigation. The Supreme Court in KK Modi Vs. KN. Modi and Ors., (1998) 3 SCC 573 has held, "It is an abuse of the process of the court and contrary to justice and public policy for a party to relitigate the same issue which has already been tried and decided earlier against him. The reagitation mayor may not be barred as res judicata. But if the same issue is sought to be re agitated, it also amounts to an abuse of the process of the court

12. Though we were initially inclined to impose costs yet we are of the opinion that ends of justice would be met by giving a direction to the Revenue to be more careful before filing appeals in a routine manner. In our view, appeal should not be filed in matters where either no question of law arises or the issue of law is a settled one. We give this direction because the "judicial capital in terms of manpower and resources is extremely limited.

13. Registry is directed to communicate copies of this order to all the Chief Commissioners of Income Tax in Delhi for necessary action. With the aforesaid direction, the present appeals are dismissed in limine but without any order as to costs. "

3. Now, revenue is in appeal by taking the following revised grounds of appeal which read as under :-

"1. That on the facts and circumstances of the case and in law whether the Id. CIT(A) was justified in the eyes of law in passing the impugned order deleting the addition of Rs.60,00,000/- in the light of the Hon'ble Supreme Court decision in the case of CIT Vs. Lovely Exports (216 CTR 195/SC) and High Court decision in the case of CIT Vs. Dwarkashish Capital P .Ltd. when the facts of this case are distinguishable from the above case.

2. That on the facts and circumstances of the case and in law whether the Ld. CIT(A) was justified in deleting the

addition when the assessee company has not been able to produce any of the director of the concerned parties who had made share application money inspite of the specific directions to produce all the parties. The assessee being a closely held company inspite of providing many opportunities could not produce any party for cross objection. Therefore, the genuineness and the identity of all the five parties could not be said to be established.

3. That on the facts and circumstances of the case and in law whether the Ld. CIT(A) is legally justified in observation that the assessee company has satisfied the onus of proving the identity of all the investors/share applicants, overlooking the clear finding of that fact that the assessee company has failed to discharge the onus resting on it by not producing all the five investors/share applications, so that their identity could be established.

4. That the appellant craves to be allowed to add any fresh ground of appeal and/or deleted or amend any of the grounds of appeal.”

4. The only issue arising in the grounds of appeal is deletion of the addition of Rs.60,00,000/- made by the CIT(A) on account of the share capital received by the assessee-company during the year under consideration.

5. Notice under section 148 of the Act was issued on the basis of the information received from the Investigation Wing that the assessee company has received accommodation entries by way of share application money from the following companies :-

| | | |
|------|----------------------------|-------------|
| (i) | Chanakya Finvest Pvt. Ltd. | Rs.5,00,750 |
| (ii) | Royal Credits P. Ltd. | Rs.5,00,750 |

6. The Assessing Officer during the course of the assessment noticed that the assessee has also received share application money from following companies as well:-

| | | |
|-------|---------------------------|--------------|
| (i) | Team Plus Securities Ltd. | Rs. 5,00,000 |
| (ii) | MPN Fincap Pvt. Ltd. | Rs.11,50,000 |
| (iii) | Neelkant Shares P. Ltd. | Rs. 3,50,000 |
| (iv) | Ashian Needles P. Ltd. | Rs.10,00,000 |
| (v) | Pars Fincap P. Ltd. | Rs.10,00,000 |
| (v) | KVF Securities P. Ltd. | Rs.10,00,000 |

7. The AO asked the assessee company to prove the genuineness of the share application money received by it.

8. In response thereto the assessee company filed details in the form of share application form, PAN card details, affidavits of the directors of the shareholder companies, copy of income tax return, confirmation, bank statement, copy of Form 18, copy of Form 32 of Companies, Copy of balance sheet of shareholders, certificate of incorporation and also copy of master data as available on the site of Ministry Corporate Affairs, etc. The AO did not get satisfied with the explanation of the assessee and added the entire amount of Rs.60 lacs as unexplained credit under section 68 of the Income-tax Act, 1961.

9. Aggrieved by the order of the AO the assessee carried the matter in appeal before the CIT(A). The CIT(A) deleted the addition by holding that assessee company has filed all the necessary details which include copies of share application form, copies of bank statements, copies of

income tax returns copies of PAN cards, balance sheet, copy of Certificate of Incorporation and Memorandum of Articles of Association of the companies. The CIT(A) noticed that the status of these companies is 'active' on the ROC Website. The CIT(A) also noted that the opportunity of cross examination was not provided to the appellant in respect of the allegation of the Investigation Wing. The CIT(A) on the basis of the above facts and by relying upon the various judgments held that assessee has discharged its onus and deleted the addition.

10. Before us, it was contended by the Ld. DR that CIT(A) was not justified in deleting the addition keeping in view the fact that there was information received from the Investigation Wing and assessee has failed to produce the directors of the companies who have made investments in the assessee company.

11. Against this, the Ld. AR submitted that the assessee company has furnished all the details. No infirmity has been pointed out except making casual observation that the balances in their bank accounts are very low. It was argued that the AO has not even investigated the transactions in the bank account of the shareholder companies. He could have easily verified the source of credit in the bank accounts of these companies. No efforts have been made to verify the status of these companies in the income tax record despite the assessee submitting copy of the income tax returns as well as assessment orders in some cases.

12. As regards the existence of these companies it was submitted that the AO has issued summons to the directors of these companies and these have been duly served as is evident from the assessment order where the only allegation is that none of the directors attended in response to the summons issued by the AO. The AO having issued the summons it was for him to take the same to the logical conclusion. No field enquiry was made by the AO so as to demonstrate that these companies are not in existence. As against this, the assessee company has provided all the best possible evidences. The observations made by the AO are very casual and it clearly shows that he has completed the assessment with a preconceived notion by indulging into surmises and conjecture. The AO being an adjudicating officer is supposed to examine all the materials and carry out the investigation to the logical end. In the present case, as is evident from the assessment order, he has not even looked at the statement of the person on the basis of which allegation is being levied against the assessee company. Despite the assessee filing voluminous documents supporting its contention in respect of each of the shareholder, the Assessing Officer has made no effort to examine these documents and made even cross verification from the concerned Assessing Officer of these shareholder companies. He has made sweeping remarks in the assessment order on its own. It was contended that the CIT(A) has

examined all these issues and was justified in deleting the above said addition.

13. We have heard both the parties. The only issue here is the addition of Rs.60 lacs made by the Assessing Officer as unexplained credit on account of the share application money. On going through the facts of the case, we notice that assessee has filed the relevant details which it could have filed in support of its contention of having received the share application money from each of these shareholder companies.

14. The Assessing Officer has issued summons to the directors of these shareholder companies. In response there to, the directors have not attended. Assessing Officer has not conducted any further inquiry for non-attendance of the persons. Non-attendance on issuing summons itself, cannot be a ground for rejecting all the relevant documents furnished by the assessee company. Summons issued by Assessing Officer have not been received back as unserved. Therefore, it cannot be said that these companies were not in existence at the given addresses. The documents filed with the Registrar of Companies show that these companies were active during the relevant period. Assessing Officer has not verified any of the relevant documents submitted by Assessing Officer for discharging onus u/s 68 of the Act. We also note that the Assessing Officer has not referred nor discussed about the so-called alleged statement of entry providers against the assessee company. It is

also not known whether assessee's name figured in that statement. The contention of the assessee has been rejected without examination and verification of the documents submitted by the assessee. The information received by him from the Investigation department has been made the basis of addition without any further investigation in this regard. Even the process of examination of the directors by issue of summons has not been taken to the logical end as after the failure of the directors to attend in response to the summons issued to them no further steps were taken. The Assessing Officer could have done cross verification about the status of these companies with the respective Assessing Officer of these shareholder companies.

15. In the case of CIT vs Fair Fininvest Ltd ITA no. 232/2012 dated 22-11-2012, the jurisdictional Delhi High Court has held as under:-

“6. This Court has considered the submissions of the parties. In this case the discussion by the CIT(Appeals) would reveal that the assessee has filed documents including certified copies issued by the Registrar of Companies in relation to the share application, affidavits of the Directors, Form 2 filed with the ROC by such applicants confirmations by the applicant for company's shares, certificates by auditors etc. Unfortunately, the assessing officer chose to base himself merely on the general inference to be drawn from the reading of the investigation report and the statement of Mr. Mahesh Garg. To elevate the inference which can be drawn on the basis of reading of such material into judicial conclusions would be improper, more so when the assessee produced material. The least that the assessing officer ought to have done was to enquire into the matter by, if necessary, invoking his powers under Section 131 summoning the share

applicants or directors. No effort was made in that regard. In the absence of any such finding that the material disclosed was untrustworthy or lacked credibility the assessing officer merely concluded on the basis of enquiry report, which collected certain facts and the statements of Mr. Mahesh Garg that the income sought to be added fell within the description of Section 68.

7. Having regard to the entirety of facts and circumstances, the Court is satisfied that the finding of the Tribunal in this case accords with the ratio of the decision of the Supreme Court in *Lovely Exports (supra)*. 8. The decision in this case is based on the peculiar facts which attract the ratio of *Lovely Exports (supra)*. Where the assessee adduces evidence in support of the share application monies, it is open to the assessing officer to examine it and reject it on tenable grounds. In case he wishes to rely on the report of the investigation authorities, some meaningful enquiry ought to be conducted by him to establish a link between the assessee and the alleged hawalaoperators; such a link was shown to be present in the case of *Nova Promoters & Finance (P) Ltd. (supra)* relied upon by the revenue. We are therefore not to be understood to convey that in all cases of share capital added under section 68, the ratio of *Lovely Exports (supra)* is attracted, irrespective of the facts, evidence and material. No substantial question of law arises. The appeal is accordingly dismissed.”

16. In the present case, as noted above, the AO has not been able to bring on record any valid material or evidence to discredit the evidences and the explanation given by the assessee company. The only evidence which has been referred by the AO is statement of third parties recorded by the Investigation Wing. Admittedly these statements were not recorded by the AO but were recorded by the Investigation Wing at the back of the assessee. The AO has not even referred to the relevant

portion of such statement so as to establish the collusive arrangement the assessee company had with these persons.

17. Accordingly we are of the view that the CIT(A) was justified in deleting the addition made by the AO.

18. In the result, the appeal of the revenue stands dismissed.

Order pronounced in open court on this 16th day of October, 2014.

**Sd/-
(C.M. GARG)
JUDICIAL MEMBER**

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

**Dated the 16th day of October, 2014
TS**

Copy forwarded to:

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

AR/ITAT