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\* IN THE HIGH COURT OF DELHI AT NEW DELHI

+ ITA 568/2006

THE COMMISSIONER OF INCOME TAX ..... Appellant  
Through Ms.P.L. Bansal

versus

BAL KRISHAN GUPTA ..... Respondent  
Through

CORAM:  
HON'BLE MR. JUSTICE T.S.THAKUR  
HON'BLE MR. JUSTICE SHIV NARAYAN DHINGRA

**ORDER**  
21.04.2006

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The Income Tax Commissioner (Appeals) has on the basis of material available on record recorded a clear finding of fact to the fact that the identity of the creditors, their creditworthiness to advance the loans and the genuineness of the loan transaction were all established. The Commissioner of Appeal has observed:-

“Since the identity of the loan creditors, the creditworthiness to advance the loans and the genuineness of the loans transactions were established before the AO, I find no reason to reject such cash credits appearing in the books of the appellant. Even though the report of the Investigations Wing has raised some doubts about the transactions of the loans of the persons associated with Ganga Ram Group of cases but such report has not revealed concretely any evidence whereby the loan transactions in the case of appellant may be held as not genuine.”



In a further appeal filed before the Income Tax Appellate Tribunal, the above findings have been affirmed in the following words:-

"We have heard the parties and perused the records of the case. U/s 68, addition on account of unexplained cash credit can be made only where the credit entries have been received in the books of the assessee for the any previous year and in respect of which he has either not been able to offer any explanation as to the nature of source thereof or that the explanation offered is not satisfactory. However, in the instance case, the assessee has duly filed the confirmations / copies of account of cash credits duly supported by copies of bank account. Besides this, the statement of the creditors were duly recorded by the Assessing Officer wherein they have confirmed payment of loan to the assessee. It is seen that the cash creditors are assessed to tax. Thus, the assessee has discharged the prima facie onus of proving the identity, creditworthiness of the creditors as well as the genuineness of the transactions."

In the light of the above findings, the deletion of additions made by the Assessing Officer under Section 68 of the Act was perfectly justified. No substantial question of law arises for our consideration in this appeal which fails and is hereby dismissed.

  
T.S. THAKUR, J

  
SHIV NARAYAN BHINGRA, J

APRIL 21, 2006

'ns'