

**Present: Ms. P.L. Bansal with Ms. Anshul Sharma and Mr. Paras Chaudhary, Advs. for the appellant.**

**ITA No.665/2009**

**COMMISSIONER OF INCOME TAX Vs. GOURDIN HERBALS INDIA LTD.**

Three companies, viz., M/s. Kuberco Sales Pvt. Ltd., M/s. Garg Finvest Pvt. Ltd. and M/s. Mafico Leasing and Consultants Pvt. Ltd had subscribed to the share capital issued by the assessee. The Assessing Officer had some doubts about the source of the investment made by those three companies and therefore, made certain inquiries. In response, the assessee produced the copy of the bank accounts of all the three companies, their certificates of incorporation and also the income tax returns filed by them. From the above documents, the identity and genuineness of these companies is clearly established. The only ground for making addition by the AO was that the bank accounts of the three companies revealed that the amounts in cash were deposited in those accounts and thus cheques were issued in favour of the assessee company along with share application money. In these circumstances, we are of the opinion that following the judgment of the Supreme Court in the case of Commissioner of Income Tax Vs. Lovely Exports Pvt. Ltd., 216 CTR 195, the ITAT has rightly held that the assessee had discharged its burden. In case those three companies had received certain cash, which were deposited in the bank accounts, it was for the Income Tax Department to take action against the said companies. We are, therefore, of the opinion that no substantial question of law arises for our consideration in this appeal, which is accordingly dismissed.

**A.K. SIKRI, J.**

**VALMIKI J. MEHTA, J.**

**September 17, 2009**

**pmc**