

**IN THE HIGH COURT OF DELHI AT NEW DELHI**

**ITA 1194/2007**

**COMMISSIONER OF INCOME TAX ..... Appellant, Through Ms.Prem Lata Bansal, Advocates**

**Versus**

**I.T.A.C. LTD.....Respondent, Through None.**

**CORAM:**

**HON'BLE DR. JUSTICE S. MURALIDHAR**

**HON'BLE MR. JUSTICE SUDERSHAN KUMAR MISRA**

**ORDER**

**12.12.2007**

In this appeal under Section 260-A of the Income Tax Act, 1961 (the Act), the Revenue is aggrieved by an order dated 15th January, 2007 passed by the Income Tax Appellate Tribunal, Delhi Bench D , New Delhi (Tribunal) in ITA No. 1646/Del/2004 for the Assessment Year 1996-97.

The Assessing Officer ( AO ) made an addition of Rs.1,48,50,000/- to the income of the Assessee under Section 68 of the Act by treating the loans/cash credit in respect of the eight different entities (including individuals and companies) as unexplained income of the Assessee. The Assessing Officer, after considering the explanation offered and the documents produced by the Assessee, concluded that the production of confirmation letters from the creditors was not sufficient to prove their creditworthiness or their identity.

**In the appeal filed by the Assessee, the Commissioner of Income Tax (Appeals) [CIT(A)] allowed a request made by the Assessee for bringing on record the copies of the confirmation letters, bank accounts, balance sheets, assessment orders and other evidence pertaining to the creditors which were also filed before the AO. In respect of each of these documents, the CIT (A) called for a remand report from the AO. After perusing the remand report and the documents, the CIT (A) came to the conclusion that the view taken by the AO was not sustainable and accordingly deleted the addition.**

**The Revenue went in appeal before the Tribunal which confirmed the view taken by the CIT (A). Ms. Prem Lata Bansal, learned senior standing counsel appearing for the Revenue took us through the order of the AO and sought to persuade us that the orders of the CIT (A) and the Tribunal were perverse.**

**After examining the orders of the CIT (A) and the Tribunal, we find no perversity in their orders.**

**No substantial question of law arises in this appeal.**

**Dismissed.**

**S. MURALIDHAR, J**

**SUDERSHAN KUMAR MISRA, J**

**DECEMBER 12, 2007**