

**IN THE INCOME TAX APPELLATE TRIBUNAL  
MUMBAI BENCH "A", MUMBAI**

**BEFORE SHRI NARENDRA KUMAR CHOUDHRY, HON'BLE JUDICIAL MEMBER**

**AND**

**SHRI S. RIFAUR RAHMAN, HON'BLE ACCOUNTANT MEMBER**

**ITA NO.3370/MUM/2023 (A.Y. 2008-09)**

M/s. Lalwani Estates & Realtors Pvt Ltd., 1301, Manhar Villa, Anthony Road Near Poddar School, Santacruz (W) Mumbai – 400054  <b>PAN: AABCL4421A</b>	v.	Income Tax Officer – 10(2)(2) 2 <sup>nd</sup> Floor, Aayakar Bhavan Churchgate, Mumbai - 400020
<b>(Appellant)</b>		<b>(Respondent)</b>

<b>Assessee Represented by</b>	<b>:</b>	<b>Shri N.R. Agrawal</b>
<b>Department Represented by</b>	<b>:</b>	<b>Shri Manoj Kumar Sinha</b>
<b>Date of Conclusion of Hearing</b>	<b>:</b>	<b>01.02.2024</b>
<b>Date of Pronouncement</b>	<b>:</b>	<b>08.03.2024</b>

**ORDER**

**PER S. RIFAUR RAHMAN (AM)**

1. This appeal is filed by the assessee against order of Learned Commissioner of Income-Tax (Appeals), National Faceless Appeal Centre, Delhi [hereinafter in short "Ld. CIT(A)"] dated 22.08.2023 for the A.Y.2008-09.

**2.** Brief facts of the case are, assessee filed its return of income for the A.Y. 2008-09 on 29.09.2008 declaring a total income at ₹.10,19,760/- and subsequently assessee revised its return of income on 30.09.2008 declaring total income at ₹.2,020/-. The return was processed under section 143(1) of Income-tax Act, 1961 (in short "Act"). Subsequently the case was reopened under section 147 of the Act on the basis of the information received from the office of DGIT (Investigation), Mumbai with respect to accommodation entry received by the assessee during the year under consideration from various concerns operated by Mr. Pravin Kumar Jain Group. Notices under section 148 of the Act dated 30.03.2015 was issued and served on the assessee and procedures specified for re-assessment proceedings were duly completed by the Assessing Officer. In response Authorised Representative of the assessee attended the hearing and submitted the relevant information as called for.

**3.** Assessee is engaged in business of builders and developers. The Authorised Representative of the assessee submitted that the original return of income filed on 30.09.2008 to be treated as the return in response to notice under section 148 of the Act. The assessee was supplied with the copy of reasons for reopening of the assessment and

assessee has raised certain objections against the re-assessment proceedings, which were duly disposed off by the Assessing Officer vide letter dated 31.07.2015.

4. The main reasons recorded for the reopening of the assessment are three (3) companies namely Ansh Merchandise Pvt Ltd., Javda India Impex Ltd., and Duke Business Pvt Ltd., were to be companies controlled by Mr. Pravin Kumar Jain and indulged in providing accommodation entries. Above said three companies have paid share application money to the assessee ₹.10,00,000/- each during the current assessment year. Subsequently, further notices under section 142(1) of the Act dated 06.01.2016 were issued to the assessee and asked to submit the following details: -

*"On perusal of the balance sheet, it is seen that an amount of Rs.99,50,000 is shown as amount received on account of issue of 99,500 of Rs 10/-. In this connection, you are requested to submit the following:*

- a. Details of shareholders, along with PAN, address, from whom such share application money has been received. Also furnish the details of time and mode of receipt*
- b. Copy of receipt of duly filled share application forms from new investors.*
- c. Please establish the creditworthiness and capacity of the new shareholders in respect of their portion of share application money with supporting documentary evidences viz Return of Income, Balance sheet alongwith all the*

*schedules, ledger, Bank Statement reflecting the transaction. Particularly in the background that few of your investors companies were Praveen Jain (accommodation entry provider) controlled companies who had given accommodation entry against the cash for share application. In this regard detailed reasons have been shared with you by this office letter dated 31.07.2015 along with disposal of objections raised in your letter dated 29.04.2015.*

*d. Whether the shares have been allotted. If yes, please furnish documentary evidences.*

*e. Copy of return filed/form 2B before the ROC along with acknowledgement after the entry of new shareholders*

**5.** After considering the submissions of the assessee dated 14.01.2016, 03.03.2016 and 07.03.2016 the Assessing Officer proceeded to complete the assessment. During the course of assessment proceedings, Assessing Officer observed from the Balance Sheet of the assessee as on 31.03.2008 that assessee has issued 995000 shares of ₹.10/- each and out of the above shares 20000 shares were allotted to signatories of the company i.e., Mehar G. Lalwani and Ghanshyam G. Lalwani who are founding directors of the company. Balance share application money are received from following parties:

<b>S.No</b>	<b>Name of Share Holder</b>	<b>Date</b>	<b>Amount of Share Application Money</b>
1	Ansh Merchandise Pvt Ltd	24/03/2008	1000000
2	Javda India Impex Ltd	08/03/2008	1000000
3	Duke Business Pvt Ltd	24/03/2008	1000000
4	Divya Infotech Pvt Ltd	19/03/2008	1000000

<b>S.No</b>	<b>Name of Share Holder</b>	<b>Date</b>	<b>Amount of Share Application Money</b>
5	Algorithmic Software Systems Pvt Ltd	18/02/2008	1000000
6	Nicco Securities Pvt Ltd	27/03/2008	750000
7	Pentium Hightech Pvt Ltd	11/03/2008	1000000
8	Highland Industries Ltd	17/02/2008	1000000
9	Anikesh Trading Pvt Ltd	05/03/2008	1000000
10	Parambh Multitrade Pvt Ltd	15/02/2008	1000000
			97,50,000

6. Assessing Officer in order to verify the entities connected to Mr.Pravin Kumar Jain, he asked the assessee to submit various informations relating to issue of share application money to them and in order to verify the genuineness of the parties summons were issued to above said three companies under section 131 of the Act dated 15.02.2016 and the above said summons were returned unserved and un-complied.

7. After analyzing the financials of the above said companies, Assessing Officer observed that all the three companies no doubt have declared turnover and also having huge creditors outstanding, booked marginal expenses and returned income is comparatively less. He has reproduced the financial of the three companies at Page No. 7 of the order. After considering the fact that none of the parties appeared

before him and also the statement of Mr. Pravin Kumar Jain, he came to the conclusion that the assessee as well as alleged investors failed to prove the creditworthiness and genuineness of the transaction.

**8.** The Assessing Officer also recorded that the statement of Mr. Pravin Kumar Jain and his associates were considered by the revenue and the relevant retraction filed by Mr. Pravin Kumar Jain and his associates were rejected by the CBDT and Income Tax Department. Therefore, the retraction statement has no relevance. He heavily relied on the financials in the survey as well as statement of Mr. Pravin Kumar Jain he observed that the three companies in which Mr. Pravin Kumar Jain has controlled and accordingly, he treated the share application money received from the three companies in which Mr. Pravin Kumar Jain has controlled are treated as accommodation entries and bogus transaction. Accordingly, he invoked provisions of section 68 of the Act to treat the share application money as income of the assessee.

**9.** Since the assessee has failed to explain the nature of source of sum of ₹.67,50,000/- (97,50,000 – 30,00,000/-) credited in the share application money were also treated as unexplained cash credits in the

books of the assessee and accordingly, treated as unexplained cash credit under section 68 of the Act.

**10.** Aggrieved with the above order, assessee preferred appeal before Ld. CIT(A) and filed detailed submissions before him. After considering the detailed submissions filed by the assessee, Ld. CIT(A) dismissed the appeal filed by the assessee by relying on the decision of the Hon'ble Supreme Court in the case of Durga Prasad More (1971) 82 ITR 540 (SC) and PCIT v. NRA Iron and Steel (P) Ltd., [412 ITR 161 (SC)] and sustained the findings of the Assessing Officer in his order.

**11.** Aggrieved, assessee is in appeal before us raising following grounds in its appeal: -

- "1). The learned CIT (Appeals) erred in confirming the addition of Rs. 97,50,000/-. On account of increase in share capital*
- 2). The learned CIT (Appeals) erred in confirming action u/s 147/148 by Ld. ITO for reopening the assessment."*

**12.** At the time of hearing, Ld.AR of the assessee submitted that the case of the assessee was reopened under section 147 of the Act based on the findings in search proceedings in the case of Mr. Pravin Kumar Jain only. He submitted that assessee has submitted documents like PAN, Memorandum of Association, bank statements and confirmations

from all the investors before Assessing Officer. Ld.AR of the assessee submitted that it is fact on record that Assessing Officer has issued summons to the investors and some of the investors were responded back. Further, he submitted that assessee vide letter dated 14.03.2016, 15.03.2016 and 16.03.2016 has submitted net worth of the companies of the investors and their turnover before Assessing Officer. The assessee has submitted all the relevant information and documentation before Assessing Officer to prove the identity, creditworthiness and genuineness of the transactions and further, he submitted that the additions were made during the current assessment year by observing that assessee has received share application money. Further, he submitted that assessee has subsequently allotted the shares and issued share certificates, and subsequently filed all the relevant information before ROC. He submitted that assessee has filed copy of the share certificates as well as filed Form – 2B before ROC which clearly shows that assessee has allotted 975000 shares to the various investors. He submitted that the issue of shares is a capital transaction in the hands of the assessee and which is proved by submission of Form – 2B filed before ROC and ROC has also acknowledged that assessee has issued above said shares to the various investors.



**13.** Ld.AR of the assessee submitted that no documents contrary to the facts were brought on record by the Assessing Officer and additions were made merely on the basis of certain companies were controlled by Mr. Pravin Kumar Jain and for other investors who were not presented before Assessing Officer.

**14.** With regard to relying on the statements and findings in the case of Mr. Pravin Kumar Jain, he submitted that Mr. Pravin Kumar Jain has retracted the statement. Therefore, the relevancy of the Mr. Pravin Kumar Jain statements and findings in his case has no binding on the assessee. With regard to the persons who were not appeared before Assessing Officer, in this regard by relying on the decision of the CIT *v.* Orient Industries Pvt Ltd., [397 ITR 136], he submitted that only because those persons had not appeared before Assessing Officer, it would not negate the case of the assessee considering the fact that voluminous documentary evidences were submitted before tax authorities.

**15.** Ld.AR of the assessee submitted that no corroborative evidences were brought on record by the Assessing Officer. In this regard he relied on the following decisions, which are reproduced below: -

- a. *CIT v. Orissa Corporation* [159 ITR 78 (SC)
- b. *CIT v. Creative World Telefilms Ltd.* [333 ITR 100 (Bom HC)
- c. *PRIN. CIT vs. N.C. CABLES LTD.* 391 ITR 11 (Del)
- d. *Businessmatch Services (I) PVT. LTD. vs. DCIT MUMBAI 'B' BENCH* ITA No. 7267/Mum/2010 and 8076/Mum/2011; Asst. yrs. 2007-08 & 2008-09 43 ITR\_ TRIB 15 (Mum)
- e. *ITO 8 (3)(3) v VHM Apparels Pvt Ltd. in ITA No. 3078/Mum/2017 Dated 9/9/2019" F" bench* (Mum)
- f. *Ambee Investment & Finance Pvt Ltd. v ITO 5(1)(1) in ITA No. 3899/Mum/2017 Dated 8/2/2019" A bench* (Mum)
- g. *ITO 4(3)(4) v Sweta Synthetics Pvt Ltd in ITA No. 3000/Mum/2017 Dated 12/7/2019 G" bench* (Mum)
- h. *ITO 4(2)(4) v Khushboo Exports Pvt Ltd. in ITA No. 3647/Mum/2017 Dated 21/9/2017"*
- i. *Khetan Twist Net Pvt Ltd v ITO in ITA No. 3031/Mum/2017 Dated 23/11/2020" H bench* (Mum)
- j. *ACIT 25(2) v H K Pujara Builders in ITA No. 930/Mum/2017 Dated 31/10/2018 "H" bench* (Mum) Common name JPK Trading (P) Ltd. and New Planet Trading co. Pvt Ltd.
- k. *BINI BUILDERS PVT. LTD. vs. DCIT 211 TTJ 0869, 185 ITD 0236* (Mumbai-Trib)

**16.** Further, he submitted that the additions made only relying on the statement of Mr. Pravin Kumar Jain were deleted by the ITAT benches, in this regard he submitted the following case law: -

- a. *Ambee Investment & Finance Pvt Ltd. v ITO 5(1)(1) Comman share holder Jawda India Impex in ITA No. 3899/Mum/2017 Dated 8/2/2019" A" bench* (Mum)

- b. *ITO 4(2)(4) v Khushboo Exports Pvt Ltd. in ITA No. 3647/Mum/2017 Dated 21/9/2017" SMC" bench (Mum) Common share holder Jawda India Impex*
- c. *ITO 8 (3)(3) v VHM Apparels Pvt Ltd. in ITA No. 3078/Mum/2017 Dated 9/9/2019" F" bench (Mum) Common share holder Jawda India Impex.*
- d. *Khetan Twist Net Pvt Ltd v Income Tax Officer in ITA No. 3031/Mum/2017 Dated 23/11/2020"H" bench (Mum) Common share holder Jawda India Impex.*
- e. *ACIT 25(2) v HK Pujara Builders ITA No. 930/Mum/2017 Dated 31/10/2018 "H" bench (Mum) Common name JPK Trading (P) Ltd. and New Planet Trading co. Pvt Ltd..*
- f. *ACIT 30(3) v Shreedham Builders ITA No. 5589/Mum/2017 Dated 22/6/2018 "E" bench (Mum)*
- g. *Share holder companies master data showing status as active. (as on 2015) as per Page no 666 to 675. Hence investor companies are not paper/shell companies as decided in (Para No. 11), Ne 42 of assessment onder and again m DCIT v Adarsh Capital Finstock Ltd. ITA no. 302/Ahm/2019 'C' Bench dated 23/11/2021*
- h. *Mr. Pravin Kumar Retracted statement on Page no 660 to 665*
- i. *Old Matter S. Hastimal v/s CIT 49 ITR 273 (Mad) Hon'ble High Court, in para no. 4 observed as under*  
  
*"The difficulty on the part of any assessee to explain a transaction which is a decade old has to be borne in mind by the Department and should under no circumstances be underestimated or taken advantage of by them".*
- j. *If suspicious or bogus share holders then department can reopen assessments of Share holders relying on Lovely Export decision, 317 ITR 218. Gagandeep Infrastructure Pvt. LTd 384 ITR 680 (Bombay) (para no. 3(e))*

**No second inning to ITO**

- k. *Rajesh Babubhai Damania v/s ITO 251 ITR 541 (Guj) in ITO v/s V.S. Chabra 15 ITD 96 (Mum' B')*
- l. *Smt Sudhadevi Mody v/s ACIT 84 ITD 604 (Mum)*

**17.** On the other hand, Ld. DR brought to our notice various findings of the Assessing Officer and in this regard he brought to our notice that income and expenditure declared by the investors were not reasonable. It clearly shows that all these companies are paper companies. With regard to various decisions relied by the Ld.AR of the assessee, he submitted that the decisions are distinguishable and very old. By referring to the notices issued by the Assessing Officer, Ld. DR submitted that the investors could not be traced or located and brought to our notice that the companies which are closely related to Mr. Pravin Kumar Jain are brought out by the Assessing Officer in his order. Therefore, the entities related to Mr. Pravin Kumar Jain are only providing accommodation entries. Therefore, the observations involving receipt of share application money is also merely accommodation entry. He further, brought to our notice detailed findings of the Ld. CIT(A) at Page No. 42 to 44 of the appellate order. Ld. DR relied on the decision in the case of DCIT *v.* Leena Power Tech Engineers (P.) Ltd., [2021] 130 taxmann.com 341 (Mumbai – Trib.)] and PCIT *v.* NRA Iron and Steel (P) Ltd., (supra). Further, Ld. DR submitted that all these transactions are nothing but round trip transactions within the group. Therefore, the additions made under section 68 of the Act is very much justified in the present case.

**18.** Considered the rival submissions and material placed on record, we observe from the record that the assessee has received share application money from the following parties: -

- i. Ansh Merchandise Pvt Ltd.,
- ii. Javda India Impex Ltd., and
- iii. Duke Business Pvt Ltd.,

**19.** From the submissions made before us, we observe that the assessee has only issued share application money to the extent of face value of shares and absolutely there is no involvement of any receipt of share premium in this case. In support of issue of share application money, assessee has submitted PAN, Memorandum of Association, bank statements and confirmations from all the above said parties and also assessee has submitted the bank statements to substantiating the receipt of the above said share application money through bank. We observe that assessee has submitted all the relevant documentations substantiating the identity.

**20.** With regard to creditworthiness of the companies, assessee has submitted bank statements and other financial statements of the investors including the companies having relationship with Mr. Pravin Kumar Jain and other investors which shows that they have a capacity to invest in the assessee company. From the analysis made by the

Assessing Officer it is clear that the above said companies are having turnover and declared certain margins. It is also brought on record by the Assessing Officer that they have very little expenses recorded in the books of accounts. Further, it is not denied that these companies are in existence. It is brought to our notice by the Ld. AR that these companies are still in existence in the records of Registrar of Companies (in short ROC). From the Balance Sheet, it is noticed that available of funds in the business clearly suggest that investors have the capacity to make the investments in shares issued by the assessee company. It is not necessary that the investors should have earning capacity to substantiate the investments in the other companies. It is enough that if they have enough funds at their disposal to make the investments. In this case, the investments were made only to the extent of face value.

**21.** Coming to the genuineness of the transactions, it is brought to our notice that assessee has subsequently allotted the shares and filed Form-2B before ROC, it clearly shows that the assessee has collected the share application money and subsequently allotted the same. It clearly shows that the assessee has brought on record and submitted before ROC that assessee has issued share capital to the extent of 975000 shares. It is duly reflected in the financial statements of the

assessee company vis-à-vis records available with the ROC. Merely because the investors were not brought before Assessing Officer it does not negate the expenses of the investors. The assessee has submitted the confirmations from all these parties. As held in the case of CIT v. Orchid Industries Pvt Ltd., (supra) the Hon'ble Bombay High Court has held as under: -

"1. *The Revenue has filed the appeal on following questions;*

*6.3 Whether on the facts and in the circumstances of the case and in law, orders of the Tribunal was perverse in deleting the addition of Rs.95,00,000/made u/s. 68 of the Act, relying only on the documentary evidence produced by the Respondent Company while ignoring the key factor that these entities were not traceable at their given addresses.*

*6.4 Whether on the facts and in the circumstances of the case and in law, the Tribunal erred in not appreciating the observations made by the Delhi High Court in Nova Promoters and Finlease Pvt. Ltd. 18 Taxman.com 217 wherein the Court has observed that cases of this type cannot be decided only on the basis of documentary evidences above and there is need to take into account the surrounding circumstances.*

*6.5 The Tribunal ought to have taken note of the fact that the assessee was not able to produce even a single party before the AO despite agreeing before the CIT(A) that it will produce all parties before the AO during remand proceedings."*

2. *Mr.Pinto, the learned counsel for the Assessee submits that the Assessing Officer upon considering all the facts had added Rs.95 lakhs as income under Section 68 of the Income Tax Act. It needs to be considered that the Assessee had not discharged its onus to establish that the amount was received by the Assessee from the share holders as share application money. The Assessee*

*could not prove the identity of the creditors, their credit worthiness and the genuineness of the transactions. The party from whom the Assessee had received the share amount never responded to the summons issued by the Assessing Officer. The Assessing Officer has considered the said aspect and thereafter has added the amount under Section 68 of the Income Tax Act. According to the learned counsel, the Tribunal only on the basis that documents are available has accepted the case of the Assessee. The Tribunal has failed to consider the circumstances and the facts which are relevant.*

3. *The learned counsel for the Assessee supports the order and submits that the Assessee had discharged its onus. The Assessee had produced the PAN of all the creditors along with the confirmation, Bank Statement showing payment of share application money and relevant record is produced with regard to the allotment of shares to those parties. The share application form, allotment letter, share certificate are also produced. Even the balance sheet, profit and loss account, the books of account of these creditors were produced on record showing that they had sufficient funds for investing in the shares of the Assessee. The learned counsel relies on the judgment of the Division Bench of this Court in case of Commissioner of Income Tax vs. Gagandeep Infrastructure (P.) Ltd., reported in [2017] 80 Taxmann 272 (Bombay) and the order of the Apex Court in case of Commissioner of Income Tax vs. Lovely Exports (P.) Ltd., reported in [2008] 216 CTR 195 (SC).*

4. *We have considered the submissions.*

5. *The Assessing Officer added Rs.95 lakhs as income under Section 68 of the Income Tax Act only on the ground that the parties to whom the share certificates were issued and who had paid the share money had not appeared before the Assessing Officer and the summons could not be served on the addresses given as they were not traced and in respect of some of the parties who had appeared, it was observed that just before issuance of cheques, the amount was deposited in their account.*

6. *The Tribunal has considered that the Assessee has produced on record the documents to establish the genuineness of the party such as PAN of all the creditors along with the confirmation, their bank statements showing payment of share application money. It*



*was also observed by the Tribunal that the Assessee has also produced the entire record regarding issuance of shares i.e. allotment of shares to these parties, their share application forms, allotment letters and share certificates, so also the books of account. The balance sheet and profit and loss account of these persons discloses that these persons had sufficient funds in their accounts for investing in the shares of the Assessee. In view of these voluminous documentary evidence, only because those persons had not appeared before the Assessing Officer would not negate the case of the Assessee. The judgment in case of Gagandeep Infrastructure (P.) Ltd. (supra) would be applicable in the facts and circumstances of the present case.*

*7. Considering the above, no substantial question of law arises. The appeal stands dismissed. However, there is no order as to costs."*

**22.** From the records submitted before us, we observe that the case of the assessee was reopened on the basis of alleged accommodation entries provided by Mr. Pravin Kumar Jain to various entities and it was observed by the Assessing Officer that three entities namely Ansh Merchandise Pvt Ltd., Javda India Impex Ltd., and Duke Business Pvt Ltd., were connected with Mr. Pravin Kumar Jain. Since none responded or partly responded to the notices issued by the Assessing Officer the Assessing Officer came to the conclusion that all these parties are bogus without further verification of the same he proceeded to make the addition. Even though assessee has submitted all the relevant documents and confirmations before him. The Assessing Officer had issued notices to the above said parties and not satisfied with their

responses he came to the conclusion that ₹.30,00,000/- as unexplained cash credit in the books of the assessee and made addition under section 68 of the Act. It is relevant to note that in the Balance Sheet of the assessee, still it is showing as share capital. It is not brought on record how it is merely an accommodation entry when the actual funds were received by the assessee through bank.

**23.** We further notice that the Assessing Officer has merely relying on the above findings he treated the share application money received from other parties also as non-genuine and brought to tax under section 68 to without making any further investigations.

**24.** As discussed above, assessee has filed all the relevant documents in support of the issue of share application money and subsequent allotment of shares. As per the record of ROC the assessee has issued share capital and assessee also brought on record that all these companies are in existence and in the books of the assessee the assessee has declared its capital liability in its financial statements. This clearly shows that the transaction of issue of share application money is genuine. Nothing is brought on record by the tax authorities that assessee has involved in any manipulation transaction or cash

transactions which suggest that assessee has attained any directly or indirect benefit out of this transaction.

**25.** We observe that, Ld. CIT(A) and Assessing Officer has taken cognizance of some developments happened in A.Y. 2010-11 but what is relevant is the transactions in the current assessment year. In the current assessment year assessee has issued share application money and subsequently allotted the shares on the face value of shares. Therefore, there is absolutely no involvement of share premium and the Ld. CIT(A) has invoked the case of PCIT *v.* NRA Iron and Steel (P) Ltd., (supra) in which the issue involved was issue of share capital and share premium. In the given case there is no issue of any share premium or any other funds alleged to be received by the assessee over and above the face value of shares. Therefore, this cases cannot be applied.

**26.** Further, Ld. DR also relied on the case of DCIT *v.* Leena Power Tech Engineers (P.) Ltd., (supra) which are distinguishable to the facts of the present case, wherein it was found that assessee had received monies, in form of share application money but that money though subjected to routing through several layers, ultimately had its source in form of huge cash deposits in one of branches of ICICI Bank. In this

case also, issue of share premium and also assessee was acted as conduit. In the present case, the assessee has issued share application and subsequently allotted the shares. Therefore, there is no avenue for the revenue to show that these are non-genuine transactions merely because three investors who has connection with the Mr. Pravin Kumar Jain are not appeared before Assessing Officer and the Assessing Officer treated the whole transaction of issue of share capital as non-genuine and bogus. From the various records submitted before us clearly shows that assessee has issued share application money and subsequently allotted shares it clearly shows that the transactions are genuine and there is no material brought on record by tax authorities that the assessee has anyway benefited round tripping or found any cash received by the assessee directly or indirectly. Accordingly, grounds raised by the assessee are allowed.

**27.** In the result, appeal filed by the assessee is allowed.

Order pronounced in the open court on 08<sup>th</sup> March, 2024.

**Sd/-**  
**(NARENDRA KUMAR CHOUDHRY)**  
**JUDICIAL MEMBER**

Mumbai / Dated 08.03.2024  
Giridhar, Sr.PS

**Sd/-**  
**(S. RIFAUR RAHMAN)**  
**ACCOUNTANT MEMBER**

**Copy of the Order forwarded to:**

1. The Appellant
2. The Respondent.
3. CIT
4. DR, ITAT, Mumbai
5. Guard file.

//True Copy//

BY ORDER

(Asstt. Registrar)  
**ITAT, Mum**