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

+ ITA 508/2026 & CM APPL. 42214/2026
+ ITA 509/2026 & CM APPL. 42218/2026
+ ITA 510/2026 & CM APPL. 42219/2026
+ ITA 511/2026 & CM APPL. 42220/2026
+ ITA 514/2026 & CM APPL. 42421/2026

PR. COMMISSIONER OF INCOME TAX, CENTRAL-1, DELHI

.....Appellant

Through: Mr. Puneet Rai, SSC with Mr. Ashvini
Kumar and Mr. Rishabh Nangia, JSCs.

versus

RAM PRAKASH BHATIA

.....Respondent

Through: None.

CORAM:

HON'BLE MR. JUSTICE DINESH MEHTA

HON'BLE MR. JUSTICE RAJNEESH KUMAR GUPTA

ORDER

% **09.07.2026**

1. All these appeals arise out of common order dated 24.12.2025 passed by the Income Tax Appellate Tribunal, Delhi 'E' Bench, New Delhi (*hereinafter referred to as the 'Tribunal'*) in the appeals which were filed by the respondent/assessee.

2. The brief facts leading to the present appeals are that the assessee is an individual who had filed his returns of income for the relevant assessment years. A survey was however conducted at the business premises of the assessee on 08.08.2014, during which he admitted to have provided bogus bills and accommodation entries to different assesseees. On basis of the admission so made and other material found during the course of survey, proceedings under Section 148 of Income Tax Act, 1961 (*hereinafter referred*



to as ‘the Act of 1961’) were initiated.

3. The Assessing Officer (‘AO’) framed an assessment order and made an addition of 0.15 percent of the credits in petitioner’s bank account considering that as the assessee had provided the accommodation entry, only the commission he had received should be added to/considered his income.

4. The Principal Commissioner of Income Tax (‘PCIT’), however, revised the said order under Section 263 of the Act of 1961 and set aside the order so passed by the AO holding that since the assessee had failed to satisfactorily explain the credits in the bank account, the entire amount credited in the petitioner’s bank account should be added as per Section 68 of the Act of 1961.

5. Pursuant to the aforesaid order of the PCIT dated 31.03.2021, the AO passed a fresh assessment order on 28.03.2022. The AO sought an explanation from the assessee in relation to the accommodation entries provided, and the purchase and sales made by him and thereafter, not being satisfied with the explanation, added the entire credit amount in terms of Section 68 of the Act of 1961. Against the aforesaid order, the assessee preferred an appeal before the Commissioner Income Tax (Appeals), [*hereinafter referred to as ‘CIT (A)’*] who *vide* his order dated 31.01.2024 upheld the addition so made by the AO.

6. The assessee preferred an appeal before the Tribunal, which by the impugned order dated 24.12.2025, set aside the addition made under Section 68 of the Act of 1961 and confined the addition only to commission at the rate of 0.15 percent of the credit entries.

7. Mr. Puneet Rai, learned Senior Standing Counsel on behalf of the department argued that the Tribunal has erred in setting aside the addition



made by the AO duly confirmed by the CIT (A). He argued that when the assessee himself had admitted that he had provided bogus bills and there were entries in credit side so also in debit side, then the amount credited in his bank account was rightly added under Section 68 of the Act of 1961.

8. He alternatively argued that in any event, the Tribunal ought to have sustained the addition of commission at the rate of 0.15 percent on both the debit and the credit entries and not merely on the credit entries.

9. During the course of submission, Mr. Puneet Rai placed for perusal of the Court, a copy of the order of the PCIT passed under Section 263 of the Act of 1961. On perusal thereof, we find that the PCIT had not issued any specific direction to add the entire credit amount under Section 68 of the Act of 1961 and as a matter of fact, he had directed the AO to examine these transactions carefully and see as to whether proper explanation has been furnished qua credit and debit entries.

10. Heard learned counsel for the appellant and perused the material on record. Before considering the appellant submissions, it would be apt to reproduce the fact as noted by the AO, in para No. 4 of the assessment order impugned dated 28.03.2022, which is reproduced as below:

4. A survey u/s 133A was carried out on Mr. Ram Prakash Bhatia on 08.08.2014. During survey operation his statement was recorded u/s 131(1A) of the Income Tax Act, 1961 wherein he was asked to furnish of source of income of himself and of his family members. In response to the same, he stated that he had been carrying out the work of billing from which he used to earn commission income. He also had rental income and he also stated about the different concerns being managed by him. He, in his statement clarified that he has been doing the work of providing accommodation entries and bogus bills.



11. A perusal of the above quoted part and corresponding statements reproduced in the assessment order reveals that the assessee had admitted to have indulged in work of issuing bogus bills and accepted that he used to earn commission income. As such, the commission income which the respondent/assessee admitted to have earned is on the bills he provided. Such being the position, we find that the Tribunal has taken a correct view of the matter and no interference is warranted by this Court.
12. That apart, what is being sought to be argued before us, does not give rise to any question of law, much less any substantial question of law.
13. All these appeals, therefore, fail.
14. All pending applications also stand disposed of.

DINESH MEHTA, J.

RAJNEESH KUMAR GUPTA, J.

JULY 9, 2026/sds