

आयकर अपीलीय अधिकरण न्यायपीठ “एक-सदस्य” मामला रायपुर में

**IN THE INCOME TAX APPELLATE TRIBUNAL
RAIPUR BENCH “SMC”, RAIPUR**

**श्री पार्थ सारथी चौधरी, न्यायिक सदस्य के समक्ष
BEFORE SHRI PARTHA SARATHI CHAUDHURY, JUDICIAL MEMBER**

आयकर अपील सं./ITA No.11/RPR/2026

निर्धारण वर्ष / Assessment Year : 2019-20

The Assistant Commissioner of Income Tax,
Circle-1(1), Bilaspur (C.G.)

.....अपीलार्थी / Appellant

बनाम / V/s.

Anuj Prakash Gupta
1st Floor, Shri Ram Plaza, Vypar Vihar,
Bilaspur (C.G.)-495 001
PAN: AMFPG43305

.....प्रत्यर्थी / Respondent

Assessee by : Shri Anuj Prakash Gupta, Assessee
Revenue by : Dr. Priyanka Patel, Sr. DR

सुनवाई की तारीख / Date of Hearing : 04.02.2026

घोषणा की तारीख / Date of Pronouncement : 05.02.2026

आदेश / ORDER**PER PARTHA SARATHI CHAUDHURY, JM**

The present appeal preferred by the Revenue emanates from the order of the Ld.CIT(Appeals)/NFAC, dated 27.11.2025 for the assessment year 2019-20 as per the following grounds of appeal:

“1. Whether on the facts and in the circumstances of the case and in law, the ld. CIT(A)/NFAC was justified in deleting the addition of Rs.2,00,000/- made by the Assessing Officer on account of disallowance of deduction claimed u/s.80GGC of the Act, without appreciating that the assessee had failed to establish the genuineness of the donation made to the Rashtriya Samajwadi Party (Secular), which was found to be one of the entities involved in providing accommodation entries in the guise of political donations as revealed during the search operation on RUPPs and related intermediaries?

2. Whether on the facts and in the circumstances of the case and in law, the ld. CIT(A) was justified in holding that no cogent material was brought on record against the specific transaction, ignoring that the onus was on the assessee to substantiate the claim of deduction u/s 80GGC by proving the genuineness of the donation and the creditworthiness of the recipient, which the assessee failed to do despite being provided adequate opportunities.

3. Whether on the facts and in the circumstance of the case and in law, ld. CIT(A) was justified in holding that the disallowance could not be sustained in the absence of assessee specific evidence of refund of donation, ignoring the fact that once the recipient entity is proved to be a conduit for accommodation entries, the onus lies heavily on the assessee to establish the genuineness and bona fide nature of the transaction.

4. Whether on the facts and in the circumstances of the case and in law, the ld. CIT(A) was justified in ignoring the findings of the Assessing Officer regarding the assessee's involvement in a larger racket of tax evasion through bogus donations to political parties, which fails under the exception provided in Para 3.1(h) of CBDT Circular No.05/2024, dated

15.03.2024, thereby making this case fit for appeal notwithstanding the monetary limit prescribed in Circular No.09/2024 dated 17.09.2024.

5. Any other ground that may adduced at the time of hearing.”

2. In this case, the assessee had claimed deduction of Rs.2 lakhs u/s. 80GGC of the Income Tax Act, 1961 (for short ‘the Act’) for donation given to Rashtriya Samajwadi Party (Secular). That consequent upon search action carried in the case of RUPPs group, Ahmedabad as per Section 132 of the Act, the political party i.e. Rashtriya Samajwadi Party (Secular) was found to be one of the entities that was involved in providing accommodation entries. Based on the information received from Investigation Wing, Ahmedabad that the said political party was involved in providing accommodation entries of bogus donation, the case of the assessee was reopened u/s.147/148 of the Act, wherein the A.O had disallowed deduction of Rs.2 lakhs u/s. 80GGC of the Act.

3. When the matter went before the first appellate authority, the Ld. CIT(Appeals)/NFAC had deleted the addition observing as follows:

“It is not in dispute that the appellant made payment of Rs.2,00,000/- through banking mode and obtained a printed receipt. However, there is also no dispute that the said political party was one of the entities identified by the Investigation Wing as engaged in circular accommodation transactions. Statements of key functionaries recorded on oath admitted to the refund of donations after retaining commission. On the other hand, there is no direct material brought by the AO to show that the appellant in particular received any refund of the alleged donation, nor was the

appellant confronted with specific evidence or given cross-examination of persons whose statements were relied upon. The AO disallowed the deduction entirely on a general presumption arising from search findings in third-party cases. While the wider investigation points to systemic irregularities, disallowance in the hands of each donor requires primary evidence establishing the non-genuineness of that specific transaction. The AO has not shown any bank trail, statement, or confirmation linking the assessee to the alleged refund. Therefore, the disallowance made purely on presumption and general findings cannot be upheld in absence of specific corroboration. Accordingly, the disallowance of Rs.2,00,000/- under Section 80GGC is deleted in appeal.”

4. At the time of hearing, the assessee himself appeared. The allegation of the Department is that the said political party in which the assessee had made donation was tainted party providing bogus accommodation entries through donations. However, the A.O had not brought out any evidence which suggests that the said political party has derived commission and has paid money back to the assessee through backdoor. Nothing has been brought on record by the A.O to establish the direct nexus regarding benefit derived by the assessee from the said political party while making the said donation.

5. In view of the aforesaid facts and circumstances, I do not find any infirmity with the findings of the Ld. CIT(Appeals)/NFAC which is hereby upheld.

6. As per the above terms grounds of appeal raised by the Revenue are dismissed.

7. In the result, appeal of the Revenue is dismissed.

Order pronounced in open court on 5th day of February, 2026.

Sd/-

(PARTHA SARATHI CHAUDHURY)

न्यायिक सदस्य/JUDICIAL MEMBER

रायपुर / Raipur; दिनांक / Dated : 5th February, 2026.

SB, Sr. PS

आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT-1, Raipur (C.G.)
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, “एक-सदस्य” बेंच,
रायपुर / DR, ITAT, “SMC” Bench, Raipur.
5. गार्ड फाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Senior Private Secretary

आयकर अपीलीय अधिकरण, रायपुर / ITAT, Raipur