

INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH "A": NEW DELHI

**BEFORE SHRI R.K. PANDA, ACCOUNTANT MEMBER**  
AND  
**SHRI N. K. CHOUDHRY, JUDICIAL MEMBER**  
(Through Video Conferencing)

ITA No. 5484/Del/2012  
(Assessment Year: 2003-04)

M/s. Aakriti International Inc. 4/5, Vijay Nagar, Double Storey, Delhi PAN: AABCJ1341H (Appellant)	Vs. DCIT, Central Circle-25, New Delhi  (Respondent)
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Assessee by :	None
Revenue by:	Shri Govind Singhal, Ld Sr. DR
Date of Hearing	03/02/2022
Date of pronouncement	21/03/2022

O R D E R

PER N.K. CHOUDHRY, J. M.:

1. The present appeal is preferred by the Assessee against the order dated 26.07.2012 impugned herein passed by Ld Commissioner of Income Tax (Appeals), New Delhi [for short, "Ld. Commissioner"], for the A.Y. 2003-04.

2. None appeared for the Assessee. Though notices for hearings were issued by the Registry to the Assessee at the declared address in Form No. 36, however, the said notices returned back by postal department, resultantly the Assessee could not be served, hence we deem it appropriate to decide the appeal on the basis of material available on record and after hearing the Ld. DR.

3. In this case, from the Assessment Order it appears that the Assessee failed to prove the identity, creditworthiness and genuineness of the transactions to the tune of Rs. 6,57,79,752/- therefore, same was added to the income of the Assessee by the AO. The AO also rejected the claim of the Assessee to the tune of Rs.1,07,556/- on account of interest relating to unsecured loans and ultimately assessed the income of the Assessee at Rs. 7,87,30,750/-.

4. The Assessee being aggrieved by the assessment order preferred first appeal before the Ld. Commissioner who vide impugned order sustained the addition of Rs. 6,57,79,752/- qua unsecured loans taken by the Assessee, by concluding as under:-

*"4.5 I have gone through the submission filed by the appellant and the directions of the Hon'ble ITAT. It is observed that the appellant has failed to provide the correct address of the loan creditors making it impossible for the Assessing Officer to carry out any further investigation regarding the genuineness of transactions. During the appellate proceedings, it was noted vide order sheet entry dated 24.05.2011 that the appellant shall furnish the name and address of the parties as referred in the order of the Hon'ble ITAT. However, even as late as 26.07.2012, the assessee could not furnish the name and address of the parties who are alleged to have given the loans. Thus, at the time of the original assessment, the assessee could not furnish this information. After the Hon'ble ITAT had set aside this issue to the*

*file of the Assessing Officer for further investigation and had directed the assessee to furnish the correct address, the assessee once again failed to furnish this information before the Assessing Officer. It was again given a third opportunity at the appellate stage to file the necessary details regarding the correct name and address of the loan creditors yet it failed to furnish the said details and this has been noted vide order sheet entry dated 26.07.2012. During the appellate proceedings, more than one year was given to the assessee-company to file these details but it did not comply with the requirements. As the assessee despite being given so many opportunities, could not furnish the correct address of the creditors, the Assessing Officer was correct in inferring that the loans taken by the assessee-company are all bogus loans and has rightly taxed them as unexplained cash credit.*

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4.8 *Considering the above facts and the various case laws as discussed above, it is apparent that the assessee has failed to establish the identity of the loan creditors, what to mention about their creditworthiness. Though the Hon'ble ITAT had directed the assessee to produce the loan creditors before the Assessing Officer, it could not even furnish the correct address of the creditors.*

*In such a situation, the Assessing Officer has correctly taxed the amount of Rs 6,57,79,752/- as unexplained cash credit in the hands of the assessee. Hence, this ground is decided against the appellant."*

4.1 The Ld. Commissioner also upheld the disallowance of Rs. 1,07,556/- on account of interest expenses as a whole.

5. The Assessee being aggrieved by the impugned order preferred the instant appeal.

6. Heard the Id. DR and perused the material available on record. We observe that both the authorities below while making/sustaining the addition under challenge recorded the findings that the Assessee has failed to establish the identity of the loan creditors and their creditworthiness and even did not furnish correct addresses of the creditors and therefore, the amount of Rs. 6,57,79,752/- remained un-explained cash credits in the hands of the Assessee. The said findings remained un-controverted due to non-appearance of the Assessee. Even otherwise from the orders passed by the authorities below, we could not find any reason either to controvert the findings of the authorities below and to interfere with the impugned Order, thus we are inclined not to interfere with the impugned order. Consequently the appeal of the Assessee deserves dismissal.

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

Order pronounced in the open court on 21/03/2022.

-Sd/-  
**(R.K. PANDA)**  
ACCOUNTANT MEMBER

-Sd/-  
**(N.K. CHOUDHRY)**  
JUDICIAL MEMBER

Dated: 21/03/2022

A K Keot

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1. Applicant
2. Respondent
3. CIT
4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR  
ITAT, New Delhi