

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH: 'B' NEW DELHI**

BEFORE SHRI SHAMIM YAHYA, ACCOUNTANT MEMBER

AND

SHRI YOGESH KUMAR U.S., JUDICIAL MEMBER

I.T.A. No. 8701/DEL/2019 (A.Y 2014-15)

Dream Procon Private Limited 811, Krishna Apra, Netaji Subhash Palace, Pitampura, New Delhi PAN:AADC8577B (APPELLANT)	Vs.	DCIT C. R. Building, IP Estate, New Delhi (RESPONDENT)
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Assessee by :	None
Department by:	Shri Sumit Kumar Verma, Sr. D. R.;

Date of Hearing	22.09.2022
Date of Pronouncement	22.09.2022

ORDER

PER YOGESH KUMAR U.S., JM

The present appeal is filed by the assessee challenging the order dated 30/12/2016, passed by CIT(A)-15, Delhi, for Assessment Year 2014-15.

2. The grounds of appeal are as under:-

1. *“On the facts and circumstances of the case, the order passed by the learned Commissioner of Income Tax (Appeals) (CIT(A)) is bad both in the eye of law and on facts.*

2. *On the facts and circumstances of the case, That the Ld Cit (A) has erred on the facts by confirming an addition of Rs 18000000/-U/S 68 inspite of providing the relevant documents to satisfy the provisions of Sec 68 of the Income Tax Act that is identity, creditworthiness and genuiness of the transactions.*
3. *That the learned CIT (A) has erred on facts and in law in confirming the charging of interest amounting to Rs.2004178/-/- on income tax liability of Rs.7917570/-as the provisions of Sec 234A,234B, 244A,234D are not applicable.*
4. *The appellant craves leave to add, amend or alter any of the grounds of appeal.*

3. When the case called neither the Assessee nor its Authorized Representative are present, on verifying the Order Sheet, it is found that the assessee remained absent on previous hearing dates. As per the records, the Registry has sent Notice by RPAD to the Address provided in the Form No. 36 on 14-02-2022, 21-03-2022 and 09-06-2022, but the all the Three Notices returned unserved with an Endorsement "LEFT". The Assessee has informed the registry regarding change of Address if any, therefore, we are compelled to decide the Appeal Ex-parte after hearing the Ld. DR and verified the material on record.

4. Brief facts of the case are that, the assessee which was engaged in the business of property construction and development, filed return of income for the Assessment Year 2014-15 declaring an amount of Rs. 44,55,398/-. The case of the assessee was selected for scrutiny and notices were issued and the assessee through his representative participated in the assessment proceedings. The assessment order came to be passed u/s 143(3) of the Act by making an addition of Rs. 1,80,00,000/- by invoking the provisions of Section

68 of the Act on account of unsecured loan received by the assessee from three companies which is as under:-

<i>S. No.</i>	<i>Name of Party</i>	<i>Amount</i>
1	<i>M/s Inceptum Enterprises Ltd.</i>	<i>1,00,00,000/-</i>
2	<i>M/s Jigyasa Infrastructure Ltd.</i>	<i>50,00,000/-</i>
3	<i>M/s TCL Management Services P. Ltd.</i>	<i>30,00,000/-</i>
	TOTAL	1,80,00,000/-

5. The Ld. A.O. found that the assessee has received total unsecured loan of Rs. 74,56,64,660/- from Sixty Three persons/entities and made independent enquiry by issuing notice u/s 133(6) of the Act. Out of the 63 entities, the Ld. A.O. satisfied in respect of 60 entities from whom the assessee has received loan of Rs. 72,76,64,600/-. However, in respect of the above mentioned three entities, the Ld. A.O. has made an addition since the assessee has failed to substantiate the identity, creditworthiness and genuineness of those companies. The assessment order came to be passed on 30/12/2016 by computing the income of the assessee at Rs. 2,24,55,398/- against the returned income of Rs. 44,55,398/- by making addition u/s 68 of the Act at Rs. 1,80,00,000/-.

6. As against the assessment order dated 30/12/2016, the assessee has preferred an appeal before the CIT(A). The Ld.CIT(A) after verifying the material on record, found that the assessment order passed by the A.O. is in detail and comprehensive manner and found that the assessee has failed to establish the identity, creditworthiness and genuineness of the transaction which were done in the grab of unsecured loan. The relevant portion of the order of the CIT(A) is reproduced hereunder:-

“It is clearly noted by the AO in para 3.12 and 3.13 of his order that where ever the audited financials were submitted, it was

observed that the Reserve And Surplus reflected in the balance sheet was not on account of any business activities carried out in earlier years but purely on account of share capital and premium receipt. It is also surprising to note that no interest is being charged by these entities from the assessee. No prudent person would advance huge amounts to a person for years together without interest and forget about it. It is further noted by the AO in para 3.13 of his order that on examination of bank statement of such entities, the creditworthiness of the creditors is not proved as transactions with such entities do not enthruse much confidence. The AO has passed a detail and comprehensive order from page 4 to 12 of his order, from which it is clearly established that the appellant failed to establish the identity, creditworthiness and genuineness of the transactions, which were done in the garb of unsecured loans and therefore, the AO has given the detailed reason in the order for making addition u/s 68 of the I.T. Act. No worthwhile purpose will be served in repeating the detailed discussion made by the AO in his order. It is further seen from the various case laws that :

7. The Ld.CIT(A) has also relied on the judgment of the Delhi High Court in the case of PCIT/6, New Delhi Vs. NDR Promoters Pvt. Ltd. (2019) 102 Taxman.com 182 (Delhi) and the judgment of Hon'ble Supreme Court in the case of PCIT Vs. NRA Iron and Steel (P) Ltd. (2019) 103 Taxman.com 48 (S.C). Thus, the Ld.CIT(A) examined the issue in depth on facts as well as on Law and found no merit in the case of the assessee.

8. The assessee neither present before us nor produced any material to enable us to take contrary views to the findings of the Ld. CIT(A). Therefore, in the absence of any supporting material in support of the grounds of appeal, we do not find any merit in the Grounds of Appeal of the Assessee. In the result, the Appeal of the Assessee dismissed ex-parte.

Order pronounced in the open court on : **22/09/2022.**

Sd/-

(SHAMIM YAHYA)
ACCOUNTANT MEMBER

Sd/-

(YOGESH KUMAR U.S.)
JUDICIAL MEMBER

Dated : 22 /09/2022

**R.N* Sr PS*

Copy forwarded to :

1. Appellant
2. Respondent
3. CIT
4. CIT (Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR
ITAT NEW DELHI