

**IN THE INCOME TAX APPELLATE TRIBUNAL
(DELHI BENCH: 'F': NEW DELHI)**

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI AMITABH SHUKLA, ACCOUNTANT MEMBER**

**ITA No:-3319/Del/2023
(Assessment Year- 2016-17)**

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| ACIT Circle – 25 (1) Delhi | Vs. | Virgo Softech Limited E1-B1, 1 st Floor, Mathura Road, Rajindra House, Mohan Cooperate, Industrial Estate, New Delhi |
| PAN No:AAACV6553E | | |
| APPELLANT | | RESPONDENT |

Assessee by: Shri Neeraj Mangla, CA

Revenue by: Sh. Sunil Yadav, CIT DR

Date of Hearing :17.03.2025

Date of Pronouncement :.21.03.2025

ORDER

The appeal is filed by the revenue is directed against the order dated 25.09.2023 passed by National Faceless Appeal Centre arising out of the order dated 29.12.2018 passed by Assessing Officer pertaining to A.Y. 2016-17.

2. The only issue arising in the appeal of the Revenue is regarding the deletion of addition of Rs.

47,41,02,141/- by the Ld. CIT(A).The Assessing Officer while making the impugned addition held the view to that assessee had failed to the establish creditworthiness, identity of the lenders as well as genuineness of the transactions. Before theLd.CIT(A) assessee had produced additional evidences. The Ld. CIT(A) called for the Remand report from the AO which was not submitted inspite of reminders. After considering the material provided by the assessee, inter-alia, evidences that impugned loans were in the nature of opening balances only, the Ld. CIT(A) proceeded to delete the impugned addition. The Ld. Council for the assessee retreated the arguments made before the Ld. CIT(A) and requested for affirmation of his order. The Ld. DR would like to make us believe on the correctness of the order of Ld. AO.

3. We have heard rival submission on the matter in the light of material available records. We have noted that the Ld. CIT(A) has comprehensively analysed the issue in para 6.4 to 6.4.2 on pages 24-25 of his order. While doing so he has carefully analysed the factual metrics available in the books of account as well as judicial rulings of this tribunal in cases of group concerns. The Ld. CIT(A) has, inter-alia, rightly concluded that no addition is permissible in respect of old loans appearing

merely as opening balances. We are therefore of the considered view that there is no case for interference to the order of the Ld. CIT(A) at this stage. The grounds of the appeal raised by the Revenue is therefore, dismissed.

4. In the result appeal raised by the Revenue is dismissed.

Order pronounced in the Open Court on 21.03.2025

Sd/-

(SATBEER SINGH GODARA)
JUDICIAL MEMBER

Neha, Sr. PS

Dated: 21/03/2025.

Copy forwarded to:

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

Sd/-

(AMITABH SHUKLA)
ACCOUNTANT MEMBER

ASSISTANT REGISTRAR
ITAT NEW DELHI