

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'A', NEW DELHI**

**BEFORE SHRI MAHAVIR SINGH, HON'BLE VICE-PRESIDENT
&
MRS. RENU JAUHRI, HON'BLE ACCOUNTANT MEMBER**

ITA No. 120/DEL/2025; A.Y.: 2015-16

ACIT Room No. 192A First Floor CR Building Delhi (APPELLANT)	Vs	21ST CENTURY E-SOLUTIONS PVT. LTD. 7255 Second Floor Ajindra Market Shakti Nagar Delhi (RESPONDENT)
PAN No. AAACZ7446G		

Assessee by : Shri Sushil Kumar Gupta, CA

Revenue by : Shri Ajay Kumar Arora, Sr. DR

Date of Hearing: 06.01.2026

Date of Pronouncement: 06.01.2026

ORDER

PER RENU JAUHRI :

This appeal is filed by the Revenue against the order of the Commissioner of Income Tax, New Delhi [for short, Ld. CIT (A)], u/s 250 of the Income Tax Act (for short, the "Act"), order dated 13.12.2024 in the Appeal No. CIT(A), Delhi-9/10537/2017-18.

2. The Revenue has raised following grounds of Appeal:

“ 1. Whether, on the facts of the case and in law, the Ld. CIT(A) has erred in deleting the addition of Rs. 3,75,00,000/- for A.Y. 2015-16 on account of unsecured borrowings u/s 68 of

the IT Act made by AO though the assessee could not prove the genuineness and creditworthiness of transactions during the course of assessment proceedings.

2. The appellant craves to be allowed to add any fresh ground(s) of appeal and or deleted or amend any ground(s) of appeal. ”

3. Brief facts are that the assessee company had filed its return declaring an income of Rs. 37,15,070/- for A.Y. 2015-16 on 30.09.2015. The case was selected for scrutiny through CASS. The assessee is engaged in the trading of mobile hand-sets. Ld. AO noted that the assessee had taken unsecured loans of Rs. 3,75,00,000/- from five different parties during the year. The party-wise details are as under:

Sl. No.	Name	Year of original loan
1	Amarpali Enterprises	17500000
2	Moderate Credit Corpor	2000000
3	Pragati Sheel Construc	5000000
4	Salora Capital Limited	8000000
5	Sky High Buildtech Private Limited.	5000000
	TOTAL	3,75,00,000

In order to verify the genuineness of the transactions and creditworthiness of the lenders, Ld. AO issued notices u/s 133(6) as the confirmations received from the assessee and the creditors were not complete and creditworthiness of the parties was not fully established. After considering the assessee's reply, Ld. AO added the entire amount of Rs. 3,75,00,000/- u/s 68 of the Act.

3.1 Aggrieved, the assessee preferred an appeal before Ld. CIT(A). The assessee filed additional evidence under Rule 46A and submitted that sufficient time was not given by the Ld. AO for submitting relevant documentary evidences to prove the creditworthiness of the parties and genuineness of the transactions. Ld. CIT(A) after noting that show-cause notice was issued to the assessee on 28.12.2017 and assessment order was passed on 30.12.2017, accepted the assessee's contention and admitted the additional evidences. These were forwarded to the Ld. AO for submitting the remand report.

After considering the remand report of the Ld. AO and the assessee's submissions, Ld. CIT(A) held that the assessee had discharged his initial onus to establish the identity of lenders, their capacity and genuineness of the transactions and, therefore, deleted the entire addition of Rs. 3,75,00,000/- made u/s 68 of the Act.

3.2 Aggrieved with the order of Ld. CIT(A), the Revenue has filed present appeal before the Tribunal.

4. Before us, Ld. DR has submitted that since the assessee could not establish the creditworthiness of the lenders and genuineness of the transactions during the assessment proceedings, the addition made by Ld. AO deserves to be confirmed.

4.1 On the other hand, Ld. AR has submitted that the requisite documentary evidences were filed before the Ld. CIT(A) who has considered the same and rightly allowed relief after obtaining remand report from the Ld. AO. He has

placed before us supporting evidences in respect of each of the loans from five parties and a copy of the remand report.

5. We have heard the rival submissions and perused the material placed on record. We are of the considered view that the assessee has been able to successfully discharge the onus placed on him u/s 68 of the Act to establish the identity and creditworthiness of the creditors and the seriousness of the transactions by deleting the impugned additions. Hence, Ld. CIT(A) has rightly allowed the relief. We, therefore, find no reason to interfere with the order of Ld. CIT(A).

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

Order pronounced in the Open Court on 06-01-2026.

Sd/-
(MAHAVIR SINGH)
Vice-President

Sd/-
(RENU JAUHRI)
Accountant Member

Dated: 14.01.2026

Pooja Mittal

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asstt. Registrar, ITAT, New Delhi