

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

**Before Sh. Satbeer Singh Godara, Judicial Member  
&  
Sh. Amitabh Shukla, Accountant Member**

**ITA No. 871/Del/2024 : Asstt. Year : 2017-18**

Moral Alloys Pvt. Ltd., 201/1, Ground Floor, Khasra No. 1595/634, Vill. Chandra Wali, Shahdara Bhola Nath Nagar, Delhi-110032 (APPELLANT)	Vs	Income Tax Officer, Ward-17(3), New Delhi (RESPONDENT)
<b>PAN No. AAGCM8421J</b>		

**Assessee by : Sh. Deepanshu Singla, Adv. &  
Sh. Ankit Garg, Adv.  
Revenue by : Ms. Amish S. Gupta, CIT-DR**

<b>Date of Hearing: 20.01.2026</b>	<b>Date of Pronouncement: 20.01.2026</b>
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**ORDER**

**Per Satbeer Singh Godara, Judicial Member:**

This assessee's appeal for Assessment Year 2017-18, arises against the CIT(A)/NFAC, Delhi's DIN & order No. ITBA/NFAC/S/250/2023-24/1056610146(1) dated 27.09.2023, in proceedings u/s 143(3) of the Income Tax Act, 1961 (in short "the Act").

2. Heard both the parties at length. Case file perused.
3. It emerges during the course of hearing that the assessee/appellant is aggrieved against both the learned lower authorities' respective findings treating it's cash deposits and credit entries in M/s Axis Bank amounting to Rs.1,82,90,000/-

and Rs.8,86,03,551/-, respectively as unexplained money u/s 69A r.w.s. 115BBE of the Act, in assessment order dated 16.12.2019 as upheld in the lower appellate discussion.

4. Both the parties vehemently reiterate their respective stands against and in support of the impugned addition. The Revenue more particularly argues that it was the assessee's bounden duty only to plead and prove source of its impugned cash credit(s) as well as deposits; as the case may be, in both the lower proceedings. Our attention is further invited to the Assessing Officer's assessment order in assessee's case itself dated 16.12.2019 treating the assessee as an accommodation entry provider both regarding its corresponding sales as well as purchases; as the case may, assessed @1% commission income in A.Y. 2012-13 as well.

5. Learned counsel on the other hand submits that the assessee is infact a company stated to be engaged in Metal Trading business whose impugned cash credit and deposits are nothing but regular business sales only which could not have been treated as unexplained in both the lower proceedings.

6. We have given our thoughtful consideration to the foregoing rival submissions and find no reason to accept either parties stand in entirety. We make it clear that the learned lower authorities had themselves treated the assessee as an

accommodation entry provider in the preceding assessment year 2012-13 assessment (supra). That being the case, we are of the considered view that larger interest of justice would met in case the assessee/appellant herein is directed to be assessed at the very rate 1% only (qua it's credits & deposits) by adopting judicial consistency subject to a rider that the same shall not be treated as a precedent. We order accordingly. Necessary computation shall follow.

7. So far as assessee's assessment under Section 115BBE is concerned, we quote S.M.I.L.E Microfinance Limited Vs. The ACIT CC-1 in W.P.(MD) No.2078 of 2020 & W.M.P. (MD) No. 1742 of 2020 held that the said provision applied for transactions done on or after 01.04.2017 only. The assessee is accordingly directed to be assessed under normal provisions only.

8. This assessee's appeal is partly allowed.

Order Pronounced in the Open Court on 20/01/2026.

Sd/-

**(Amitabh Shukla)**  
**Accountant Member**

**Dated: 18/02/2026**

\*Subodh Kumar, Sr. PS\*

Copy forwarded to:

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

Sd/-

**(Satbeer Singh Godara)**  
**Judicial Member**

**ASSISTANT REGISTRAR**