

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCHES 'DB': NEW DELHI.**

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI S. RIFAUR RAHMAN, ACCOUNTANT MEMBER**

**ITA No.129/DDN/2024
(Assessment Year: 2017-18)**

Sidharth Buildwell LLP 1, DarshininGate, Kanwali, Kanwali B.O. Haripuram, Dehradun PAN: ACUFS6966M (APPELLANT)	vs.	ACIT, Circle 1(2)(1), Dehradun (RESPONDENT)
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ASSESSEE BY: Ms. Komal Sachev, CA
REVENUE BY: Sh. A.S.Rana, Sr. DR

Date of Hearing: 14.01.2026
Date of Order : 27.02.2026

ORDER

PER S. RIFAUR RAHMAN, ACCOUNTANT MEMBER :

The Assessee has filed appeal against the order of the Learned Commissioner of Income Tax (Appeals)/NFAC, Delhi ["Ld. CIT(A)", for short] dated 07.06.2024 for the Assessment Year 2017-18.

2. Brief facts of the case are that the assessee filed its return of income on 07.11.2017 declaring income at Rs. 95,08,920/- for assessment year 2017-18. The case was selected for complete scrutiny through CASS with the reasons "Higher turnover reported in Service Tax Return as compared to ITR, Large increase in unsecured loans during the year, Real estate business

with high closing stock & Cash deposited during demonetization period”. Accordingly, notices u/s 143(2) of the Income Tax Act, 1961 (for short ‘the Act’) and u/s 142(1) of the Act along with questionnaire were issued and served on the assessee.

3. During the assessment proceedings, the Assessing Officer observed that the assessee has taken unsecured loans from various persons. The assessee was asked to produce documentary proof to verify the genuineness of the unsecured loans taken during the year. In response, the assessee has submitted the confirmations and bank transaction to support his claim from some parties but failed to produce confirmations, copies of bank transactions and copies of ITRs to prove creditworthiness in respect of the following parties—

<i>Sl. No.</i>	<i>Name of the party from whom unsecured loan has been shown</i>	<i>Unsecured loan amount</i>
1.	<i>Amit Sehwawat</i>	<i>700000</i>
2.	<i>Bijay Pal Singh Chauhan</i>	<i>73000</i>
3.	<i>Gaurav</i>	<i>100000</i>
4.	<i>Vijay Pal Singh Chauhan</i>	<i>73000</i>
5.	<i>Rahul</i>	<i>500000</i>
6.	<i>Rajbala Mittal</i>	<i>311250</i>
7.	<i>Rajendra Kumar Rai</i>	<i>2200000</i>
8.	<i>Saurabh Rai</i>	<i>40000</i>
9.	<i>Surendra Kumar Rai</i>	<i>200000</i>
10.	<i>Vijay Pal Singh Bisht</i>	<i>76000</i>

4. Further, notices u/s 133(6) of the Act were also issued to the above said parties to submit confirmations alongwith bank statements and copies of ITR. It is found that some notices were returned back undelivered and also no replies were received from the parties. Subsequently, a show cause notice was issued to the assessee that as to why unsecured loan of Rs. 42,73,250/- may not be added to its income. Since, there was no response from the assessee, he proceeded to make the above said additions u/s 68 of the Act r.w.s. 115BBE of the Act.

5. Aggrieved with the above order, the assessee preferred an appeal before the NFAC, Delhi. Several notices were issued to the assessee for hearing however, the assessee has taken adjournments again and again with the similar letters to the Ld. CIT(A). Considering the regular adjournment taken by the assessee, he proceeded to sustain the addition made by the Assessing Officer. Accordingly, the appeal preferred by the assessee is dismissed.

6. Aggrieved of the above order, the assessee is in appeal before us raising several grounds of appeal:

“1. Queries Raised and Assessment Concluded in Haste, Order is Opposed to Principles of natural justice.

2. Incorrect Observations of The AO w.r.t. Submissions Made By the Appellant.

3. Provisions of Section 68 incorrectly invoked.

4. Appellant not at Fault For the Parties Not Responding To Notices Issued U/S 133(6)

5. Additional Evidence to Be Submitted

6. The Appellant Craves leave to add, alter, vary, omit, substitute or amend the above statement of facts at any time before or at the time of hearing of the appeal.”

7. In the appeal, the assessee also prayed to file additional evidences before us. However, no such evidences were filed even before us.

8. Considered the rival submissions and material placed on record, we observed that several opportunities were granted to the assessee by both the lower authorities and assessee failed to submit any document to prove the creditworthiness and genuineness of the transaction. Even before us, the assessee has submitted that it will submit additional evidences but failed to submit the same. We observed that the assessee has no evidence to submit before any authority. Accordingly, we proceed to sustain the additions made by the Assessing officer. Coming to the issue of invoking the provisions of Section 115BBE of the Act, we observed that Hon'ble Madras High Court in the case of S.M.I.L.E Microfinance Limited vs. ACIT W.P.(MD).No. 2078 of 2020 and W.M.P. (MD) No. 1742 of 2020 order dated 19.11.2024, as per which the provisions of Section 115BBE are not applicable to the impugned assessment year i.e. assessment year 2017-18, therefore, we direct the Assessing officer not to apply the provisions of Section 115BBE to the present assessment year and direct to proceed with the additions applying normal tax rates.

9. In the result, the appeal filed by the assessee is partly allowed.

Order pronounced in the open court on this 27th February, 2026.

**Sd/-
(SATBEER SINGH GODARA)
JUDICIAL MEMBER**

**Sd/-
(S.RIFAUR RAHMAN)
ACCOUNTANT MEMBER**

Dated:27.02.2026

BINITA, SR. PS

Copy forwarded to:

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

**ASSISTANT REGISTRAR
ITAT, NEW DELHI**