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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 5448/2025 CM APPL. 24776/2025 CM APPL. 24777/2025

TOYO SANITARY WARES PRIVATE LIMITED .....Petitioner

Through: Ms. Ananya Kapoor, Mr. Shivam Yadav, Mr. Tarun Chanana, Advocates.

versus

ASSISTANT COMMISSIONER OF INCOME TAX CIRCLE 25 (1), DELHI .....Respondent

Through:

CORAM:
HON'BLE MR. JUSTICE VIBHU BAKHRU
HON'BLE MR. JUSTICE TEJAS KARIA

O R D E R

% **28.04.2025**

1. The Petitioner has filed the present petition, *inter alia*, impugning an assessment order dated 29.03.2025 passed under Section 147 of the Income Tax Act, 1961 **[the Act]**. The Petitioner also impugns a notice of demand dated 29.03.2025 issued under Section 156 of the Act as well as a penalty notice dated 30.03.2025 issued under Section 274 read with Section 271AAC(1) of the Act. It is the Petitioner's case that the addition made by the Assessing Officer **[AO]** under Section 68 of the Act on account of unexplained cash credit amounting to Rs.1,93,60,660/- is unsustainable. Ms. Ananya Kapoor, the learned counsel appearing for the Petitioner submits that the AO failed to consider that no amount was received as loan during the previous year relevant to the Assessment Year **[AY]** 2020-21 and no loan was repaid. She submits that the balance sheet of the Petitioner's

company reflected loans from six entities, out of which the opening balance and closing balance of the loans from four entities remained the same. She also submits that the bank statements as sought for were provided to the AO; however, the AO has erroneously proceeded on the basis that the Petitioner had not provided the bank statements.

2. According to the Petitioner, no addition could have been made if the opening balances and closing balances of loans, as reflected in the books of accounts, were identical.

3. Concededly, the Petitioner has a statutory remedy of appeal. It is also clear that the controversy raised pertain to the merits of the addition made by the AO. Consequently, we do not consider it apposite to entertain the present petition. The petition is, accordingly, dismissed. We leave it open for the Petitioner to avail the statutory remedy.

4. It is clarified that all rights and contentions of the parties are reserved.

5. We further clarify that in the event the Petitioner files an appeal against the impugned assessment order within a period of one week from date, the same would be considered by the Appellate Authority uninfluenced by the question of delay.

6. All the pending applications also stand disposed of.

VIBHU BAKHRU, J

TEJAS KARIA, J

APRIL 28, 2025/KG

Click here to check corrigendum, if any