DEMOVERA & ASSOCIATES

Chartered Accountants - Synthetic Demonstration Firm

3rd Floor, Demo Chambers, 21 Demo Marg, Demo Nagar 000001

FRN-DEMO-0001 | E-mail: office@demovera-demo.invalid

12 January 2026

The Income Tax Officer,
Circle 1(1),
Demo Nagar

[Filed electronically through the e-Proceedings tab of the e-filing portal]

Dear Sir/Madam,

Messrs Suryanetra Components Private Limited - Synthetic Demonstration Entity (P.A. No. PAN-DEMO-0001)
Income-tax assessment year 2024-25
(Previous year ended 31st March, 2024)

Reply to notice under section 148A(1) dated 6 January 2026 bearing DIN ITBA/DEMO/F/148A(1)/2025-26/DIN-DEMO-0001(1)
Proceeding reference: DEMO/REASSMT/2026/001

1. PRELIMINARY

We refer to your notice dated 6 January 2026 issued under section 148A(1) of the Income-tax Act, 1961 requiring our clients to show cause as to why a notice under section 148 should not be issued for the assessment year 2024-25. We are authorised by our abovenamed clients to reply thereto, and we submit as under.

2. FACTUAL BACKGROUND

Our clients filed the return of income for the assessment year 2024-25 on 28 October 2024 declaring a total income of Rs. 18,40,000/-. The return was processed under section 143(1) of the Act and no adjustment was made to the returned income.

3. THE AMOUNT IN QUESTION IS AN UNSECURED LOAN

The credit of Rs. 32,00,000/- referred to in the Annexure to your notice is an unsecured loan received by our clients from Tamrasetu Tradecraft Private Limited - Synthetic Demonstration Entity (PAN-DEMO-0002) during the previous year ended 31st March, 2024. The loan was received in four tranches through banking channels, carries interest at the rate of 9 per cent per annum payable on maturity, and is recorded in our clients' books of account under the head 'unsecured loans'. The loan was outstanding as at the close of the previous year and continues to be reflected as a liability in the audited balance sheet of our clients as on that date.

Particulars	Amount
Aggregate unsecured loan received from the lender during the previous year ended 31st March, 2024	INR 32,00,000
Of which, receipts traceable to the extract of the bank statement enclosed at Annexure B	20,00,000
Balance, in respect of which the bank statement for the remainder of the previous year has been applied for and is not enclosed	12,00,000

It is respectfully submitted that a loan received and recorded as a liability is not in the nature of income, and the burden that section 68 of the Act casts upon the assessee is to offer an explanation about the nature and source of the credit. That explanation is offered herein and is supported by the material enclosed.

4. EVIDENCE ENCLOSED IN SUPPORT OF THE EXPLANATION

A compilation of evidence dated 10 January 2026 is enclosed herewith and is indexed as follows.

Annexure	Description of the document	Pages	Status
A	Confirmation of account issued by Tamrasetu Tradecraft Private Limited - Synthetic Demonstration Entity, together with the extract of its ledger account of our clients for the financial year 2023-24	2	Enclosed
B	Extract of the bank statement of our clients with Demo Commercial Bank Limited, Demo Nagar Main Branch, for the period 01/04/2023 to 30/09/2023	1	Enclosed
C	Extract of the loan agreement dated 05/06/2023 between our clients and the lender	1	Enclosed
D	Audited financial statements of the lender for the financial year 2023-24	-	Not supplied
E	Acknowledgement of the return of income of the lender for the assessment year 2024-25	-	Not supplied

5. MATERIAL NOT PRESENTLY AVAILABLE

We are instructed to state, and we state candidly, that the audited financial statements of the lender for the financial year 2023-24 and the acknowledgement of the lender's return of income for the assessment year 2024-25 (Annexures D and E of the index above) have been called for from the lender but have not been received, and are accordingly not enclosed with this reply. Further, the bank statement extract at Annexure B covers the period 01/04/2023 to 30/09/2023 only; the statement for the remainder of the previous year has been applied for from the bank and is not enclosed. Our clients undertake to place the said material on record as and when it is received.

We have not represented, and do not represent, that any document not listed as 'Enclosed' in the index above forms part of this reply.

6. PRAYER

In view of the above, it is respectfully submitted that the explanation offered by our clients regarding the nature and source of the credit, together with the material enclosed, is sufficient to establish that no income chargeable to tax has escaped assessment for the assessment year 2024-25, and that it is accordingly not a fit case for the issue of a notice under section 148 of the Act. It is prayed that the proceedings initiated under section 148A(1) be dropped.

Should your good self propose to take an adverse view on the material presently on record, we request that an opportunity of being heard be afforded to our clients before any order is passed, and that a reasonable opportunity be given to place the material referred to in paragraph 5 above on record.

Please let us know should you require any further information and/or clarification in the aforesaid matter.

Yours faithfully,

(Sd/-)

For DEMOVERA & ASSOCIATES
R. Demovera
Partner
Membership No. MEM-DEMO-0001

Encl.: Compilation of evidence dated 10 January 2026 (Annexures A to C).

Copy forwarded to our clients, Suryanetra Components Private Limited - Synthetic Demonstration Entity, for their records.