

IN THE INCOME TAX APPELLATE TRIBUNAL
INDORE SMC BENCH, INDORE

BEFORE SHRI KUL BHARAT, JUDICIAL MEMBER

ITA No.839/Ind/2018
A.Y. 2009-10

Kapil Garg, Indore
PAN – ACHPG 3102 C :: Appellant

Vs

ITO-3(2), Indore :: Respondent

Assessee by	Shri C.P. Rawka, CA
Respondent by	Shri V.J. Boricha, Sr. DR
Date of hearing	15.1.2020
Date of pronouncement	16.1.2020

O R D E R

This appeal is filed by the assessee against the order of Id. CIT(A)-III, Indore dated 31.8.2018 for the assessment year 2009-10. At the outset of hearing, learned counsel for the assessee did not press last ground i.e. ground no.2 with regard to disallowance

on account of personal expenses of Rs.35,000/-, therefore, the same is dismissed as not pressed.

2. Now, the only effective ground raised by the assessee is that the Id. CIT(A) has erred in confirming the addition of Rs.7,18,400/- made by the Assessing Officer on account of unsecured loan. Facts giving rise to the ground of appeal are that the return of income of Rs.3,90,920/- was filed and the Assessing Officer completed the assessment at Rs.11,44,320/- making addition of Rs.7,18,400/- on account of unsecured loans of Rs.5 lakhs and Rs.2,18,400/- taken from Shri Sushil Puroshotam Das and Shri Sohail Khan, respectively. The assessee went in appeal and the Id. CIT(A) confirmed the action of the Assessing Officer. Thus, the assessee is before this Tribunal.

3. Before me, learned counsel for the assessee has reiterated the submission made before the authorities below and submitted that PAN and address of Shri Sushil Chandra Purshottam Das and address of Shri Sohail Khan was provided. Moreover, these

loans pertain to previous assessment year i.e. 2008-09 as is evident from cheques and bank statements and balance sheet filed before revenue authorities. The statement also reflects the place wherefrom the amount is received. Therefore, the assessee has explained the credit of unsecured loans and the addition is unjustified. On the other hand, Id. Sr. DR relied on the orders of the Revenue Authorities but could not controvert the submission of the assessee by bringing any contrary material on record.

4. I have considered the rival submissions of both the parties and gone through the material available on the file. On consideration of above facts, I find that the amount of loans from the concerned parties was received in the previous year and the assessee had also provided the requisite evidence like PAN/addresses/bank statements/balance sheet etc. in support of the contention, therefore, the assessee had duly discharged his onus. But the Revenue authorities failed to consider the same. Therefore, looking to these facts, I direct the Assessing Officer to

delete the addition of Rs.7,18,400/-. Accordingly, the only effective ground no.1 raised by the assessee is allowed.

5. In result, the appeal of the assessee is partly allowed.

Order was pronounced in the open court on 16.1.2020.

**Sd/-
(KUL BHARAT)
JUDICIAL MEMBER**

Dated : 16.1.2020

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Appellant/Respondent/Pr.CIT(A)/Pr.CIT/DR, Indore