

**THE INCOME TAX APPELLATE TRIBUNAL  
DELHIBENCH 'E', NEW DELHI**

**Before Dr. B. R. R. Kumar, Accountant Member**

**Sh. Yogesh Kumar US, Judicial Member**

**ITA No. 2424/Del/2019 : Asstt. Year : 2015-16**

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|---|----|--|
| Manish Bearing Enterprises,<br>62, Shardhanand Marg,<br>New Delhi-110006<br>(APPELLANT) | Vs | ACIT,<br>Circle-46(1),<br>New Delhi-110002<br>(RESPONDENT) |
| <b>PAN No. AAAPM5405D</b>   |    |  |

**Assessee by : Sh. Ajay Baheti, CA**

**Revenue by : Sh. Amit Shukla, Sr. DR**

**Date of Hearing: 01.12.2022**

**Date of Pronouncement: 22.02.2023**

**ORDER**

**Per Dr. B. R. R. Kumar, Accountant Member:**

The present appeal has been filed by the assessee against the order of Id. CIT(A)-16, New Delhi dated 15.02.2019.

2. Following grounds have been raised by the assessee:

*"The AO has erred in law and on facts in making addition of Rs. 1,00,00,000/- disregarding the confirmation filed by the loan creditors and all document produced."*

3. The assessee is in the business of trading of bearings. The assessee filed return of income 30.09.2015 declaring total income of Rs.24,72,690/-. The case was selected for complete scrutiny under CASS.

4. The assessee had taken loan of Rs.1.5 crore from one Sh. Basant Kumar Bangar and paid interest amounting to Rs.5,87,500/- after due deduction of TDS. The AO being unsatisfied with the explanation offered by the assessee regarding credit of loan in the books of account of the assessee, invoked the provisions of Section 68 and made an addition on this account.

5. Aggrieved by the order of the AO, the assessee is in appeal before the Id. CIT(A).

6. In the instant case, the books of the assessee reflect unsecured loans from Bansant Kumar Bangur in 2 tranches of Rs.50,00,000/- and Rs.1,00,00,000/-. As the assessee could not establish the creditworthiness of the lender and the genuineness of the loan of Rs.1,00,00,000/-, the revenue treated the credit entries as unexplained credits u/s 68.

7. Before us, the Id. AR has taken us through the ITR of Mr. Basant Kumar Bangur for the A.Y. 2016-17 showing a returned income of Rs.2.08 crores, for the A.Y. 2015-16 the returned income was Rs.21 lacs. The lender received an amount of Rs.2 crores in tranches of Rs.1 crore on 13.08.2014 and on 15.11.2014. These amounts have been received from a company named M/s Agencies Rajasthan Pvt. Ltd. in which the assessee was a shareholder during the A.Y. 2015-16. In the said account of M/s Agencies Rajasthan Pvt. Ltd. a total amount of Rs.1.04 crores was deposited on 05.09./09.09/15.09/19.09/23.09.2014 i.e. before the date of giving the loan of Rs.1 crore on 17.11.2017.

8. Thus, it can be found that the cash has been deposited in the account of M/s Agencies Rajasthan Pvt. Ltd. from there to the account of Sh. B. K. Bangur and from there to the account of the assessee. The Id. AR also argued that there was a gap of two months from the cash deposit in M/s Agencies Rajasthan Pvt. Ltd. ending with 23.09.2014 and receipt of the money into the account of Mr. Bangur and there were about 50 transactions between this time period. It was also argued that the source of payment was redemption of mutual funds. Having heard the arguments of Id. AR, we have gone through the details of the entries in the bank statement during the intervening period of two months and after going through the entries, we are unable to accept arguments of the Id. AR.

9. In the instant case, the loan was preceded by deposit of exact amount which was preceded by the cash deposits. The explanation offered by the assessee to explain the entries was not found to be satisfactory by the AO based on evidences in his possession which we affirm.

10. The provision of Section 68 reads as under:

*"68. Where any sum is found credited in the books of an assessee maintained for any previous year, and the assessee offers no explanation about the nature and source thereof or the explanation offered by him is not, in the opinion of the Assessing Officer, satisfactory, the sum so credited may be charged to income-tax as the income of the assessee of that previous year."*

11. Hence, on going through the peculiar facts of the entire material placed before us for the instant year, we decline to interfere with the order of the Id. CIT(A).

12. In the result, the appeal of the assessee is dismissed.  
Order Pronounced in the Open Court on 22/02/2023.

Sd/-

**(Yogesh Kumar US)**  
**Judicial Member**

Sd/-

**(Dr. B. R. R. Kumar)**  
**Accountant Member**

**Dated: 22/02/2023**

\*Subodh Kumar, Sr. PS\*

Copy forwarded to:

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

**ASSISTANT REGISTRAR**