

आयकर अपीलीय अधिकरण, अहमदाबाद न्यायपीठ “ए”, अहमदाबाद।  
IN THE INCOME TAX APPELLATE TRIBUNAL  
“A” BENCH, AHMEDABAD

BEFORE SMT.ANNAPURNA GUPTA, ACCOUNTANT MEMBER  
AND  
SHRI T.R. SENTHIL KUMAR, JUDICIAL MEMBER

ITA No.26/Ahd/2019  
Assessment Year : 2012-13

Zeeta Electrical Engineering Pvt.Ltd. Office of C.K. Damani & Associates 2 <sup>nd</sup> Floor, Agrawal Chambers Opp. Town Hall, Ellisbridge Ahmedabad	Vs	The ITO Ward-4(1)(4) Ahmedabad
PAN: AAACZ 2958 F		

<b>अपीलार्थी/ (Appellant)</b>		<b>प्रत्यर्थी/ (Respondent)</b>
Assessee by :		Shri S.N. Divatia, A.R.
Revenue by :		Ms. Saumya Pandey Jain, Sr.DR

सुनवाई की तारीख/Date of Hearing : 11/12/2023  
घोषणा की तारीख /Date of Pronouncement: 08/03/2024

**आदेश/O R D E R**

**PER ANNAPURNA GUPTA, ACCOUNTANT MEMBER**

This appeal filed by the Assessee is directed against the order of Learned Commissioner of Income-Tax (Appeals)-8,Ahmedabad [hereinafter referred to as “Ld. CIT(A)” for short] dated 07/12/2018 passed for Assessment Year (AY) 2012-13.

2. The assessee has raised the following grounds of appeal:-

*The Ld. Commissioner of Income Tax (Appeals)- 8 has passed the Appeal Order for A.Y 2012. The appellant is aggrieved by appeal order passed by Ld. Commissioner of Income Tax (Appeals) 8. Grounds of appeal are as follows:*

*Addition u/s. 68 of Income Tax Act to the tune of Rs.1,05,00,000 (Rupees One Crore Five Lakhs Only):*

*The Ld. Commissioner of Income Tax (Appeals) - 8 has deleted addition of Rs.1,19,00,000/- (Rupees One Crore Nineteen Lakhs only) which was made u/s. 68 by the Ld. Income Tax Officer. The addition of Rs.1,05,00,000/- (Rupees One Crore Five Lakhs only) u/s. 68 is confirmed by Ld. Commissioner of Income Tax (Appeals) - 8 while passing appeal order. The Ld. Commissioner of Income Tax (Appeals) 8 has not considered the facts and evidences produced by the assessee properly which is against principles of natural justice and requires to be set aside.*

*(ii) Disallowance of UL certificate of Rs. 63,080/- (Rupees Sixty Three Thousand and Eighty only):*

*Disallowance of UL certificate of Rs. 63,080/- (Rupees Sixty Three Thousand and Eighty only) is confirmed by Ld. Commissioner of Income Tax (Appeals) - 8 mentioning that: "However no such evidence is submitted by the appellant in support of its contention in the appellate proceeding also. Therefore the contention of the appellant is without any substance. So ground of appeal is dismissed." The Appellant has submitted the bill copy of UL certificate of Rs. 63,080/- (Rupees Sixty*

*Three Thousand and Eighty only) vide letter dated 14/06/2016 submitted to Ld. Commissioner of Income Tax (Appeals) 8. Even then it is not considered by Ld. Commissioner of Income Tax (Appeals) - 8. So it is required to be deleted.*

*(iii) Disallowance of Interest Rs. 1,80,307/- (Rupees One Lakh Eighty Thousand Three Hundred and Seven only):*

*Interest to the tune of Rs.1,80,307/- (Rupees One Lakh Eighty Thousand Three Hundred and Seven only) is disallowed because of non-submission of Form 15G and 15H to government authority. Non-submission to Form 15G and 15H to the Income tax authority cannot be base for disallowance of Interest paid to parties from whom loan have been taken by the assessee. So it is required to be deleted."*

3. The issue involved in Ground No.(i) of the appeal relates to addition made to the income of the assessee treating the loans taken by the assessee as ingenuine. Orders of the authorities below reveal that during the

impugned year the assessee was found to have taken unsecured loans amounting to Rs.2.24 crores which in entirety was added to his income on account of failure on the part of the assessee to discharge his onus of proving the genuineness of the same. Order of the Assessing Officer reveals that the assessee claimed to have been taken the impugned loan of Rs.2.24 crores from 33 parties are listed at page Nos.2 & 3 of his order. Before the Ld.CIT(A), the assessee filed certain additional evidences in support of his plea that the said loans were genuine. The Ld.CIT(A) sought a remand report from the Assessing Officer on the same, after considering which he deleted addition of Rs.1.19 crores and confirmed addition of Rs.1.05 crores as per the ground raised by the assessee before us. On the various occasions, when the matter came up for hearing, it was noted that the Ld.counsel for the assessee repeatedly pleaded that the assessee had discharged his onus of proving the genuineness of the loans and had filed a detailed list of parties in relation to which the addition had been confirmed by the Ld.CIT(A) mentioning the manner in which the assessee had discharged his onus of proving the genuineness of the same. The assessee had taken a plea that with respect to some loans, even the opening balance had been added u/s.68 of the Income Tax Act, 1961 (hereinafter referred to as "the Act" for short) and confirmed by the Ld.CIT(A). The Bench, on going through the detail furnished by the assessee, found that the said detail found no mention of any opening balance added back u/s.68 of the Act. The Ld.counsel for the assessee was directed to modify its details in accordance with the pleadings taken before us and furnish a copy to DR for verification of the facts mentioned therein. The Ld.DR was directed to submit the response in writing to the details submitted by the assessee.

Order-sheet entry, in this regard, of the Bench dated 11/01/2023 is as under:-

*“Assessee represented by: Shri S. N. Divatia, A. Department represented by: Ms. Anam Benish, Sr. D. R.*

*The ld.counsel for the assessee made arguments vis-à-vis addition made under section 68 of the Act amounting to Rs.1.19 crores upheld by the ld.CIT(A). His contention as that despite discharging of onus cast on the assessee, the addition had been upheld against all legal proposition laid down in this regard, and that in some of the cases, even the opening balances had been added which were not tenable under section 68 of the Act. A detailed list of the parties with respect to whose credit balance addition pertained to, was filed before us giving details of all the documents filed in discharge of the onus of the assessee. We have also noted from the same that such details do not mention any opening balance with respect to the amounts added back in the said case. The ld.AR is directed to modify its details in this regard. Further, he is directed to submit copy of modified details to the ld. DR so as to enable verification of the facts mentioned therein. The ld. DR is directed to give in writing their response in this regard to the details submitted by the ld.counsel assessee. The for The matter adjourned to 19/01/2023. Matter kept as part-heard.”*

3.1. On the next date when the matter came up for hearing, i.e. on 02/02/2023, the Bench noted that the Ld.counsel for the assessee had filed a Tabular Chart in compliance with the earlier direction, but due to unavailability of the Ld.DR for a considerable long period of time as mentioned in his adjournment application, the matter was released as part-heard to be fixed for hearing afresh. Subsequently, the matter came up for hearing on various occasions thereafter and finally came up for hearing on 11/12/2023 when taking note of the tabular details filed by the Ld.counsel for the assessee on 02/02/2023, the matter was proceeded to be heard after hearing the Ld.DR on the submissions made by the assessee in its chart placed before us.

A perusal of the details so filed by the assessee reveals that out of the total addition confirmed by the Ld.CIT(A), Ld.counsel for the assessee had nothing to say vis-a-vis the addition made of unsecured loans amounting in all to Rs.37,50,000/- pertaining to the following parties:

Sl.No(s)	Name of Party	CIT(A) confirmed addition <hr/> UL <hr/> 133(6) served and party did not resond	Remark
1.	Chimanlal Uderanni HUF	3,60,000	TDS deducted and Form 16A issued
2.	dhika Deepak Soni	7,50,000	Nothing
3.	NH Traders (Haresh Hiranand)	5,00,000	ITR
4.	Bansilal Kanjani	5,00,000	-
5.	Manju Udernani	1,40,000	TDS deducted and Form 16A issued
6.	Jaikishan Soni HUF	5,00,000	Nothing
7.	Sharada Jagdish	5,00,000	Nothing
8.	Nikita Changunani	5,00,000	Nothing
	<b>Total</b>	<b>37,50,000</b>	

3.2. As is evident from the submission of the Ld.counsel for the assessee himself in the tabular chart placed before us, vis-à-vis the above eight parties from whom unsecured loans totalling to Rs.37,50,000/- was allegedly received by the assessee, the assessee in discharge of his onus of proving the genuineness of the loans has, at the most, filed TDS deduction

Certificate on the interest paid to the said party and Form No.16A or the copy of ITR that too only in case of three parties. With regard to the rest, admittedly nothing was submitted to the Ld.CIT(A). A perusal of the order of the Ld.CIT(A) reveals that he has confirmed addition of unsecured loans taken from these parties noting that neither any details have been furnished by the assessee with regard to the creditors nor the said creditors have responded to the enquiries made by the Assessing Officer u/s.133(6) of the Act. His finding in this regard had mentioned at paragraph No.5.3(a) to (h) are in the following manner:

*"5.3. In the remand report AO has stated that in respect of 8 parties form whom appellant has statedly received unsecured loans amounting to Rs.37,50,000/- no details have been furnished either by the appellant or by these parties on inquiry by the AO. In response appellant has given party wise rebuttal which is discussed as below:*

*(a) Chiman Uderanni HUF - Rs.3,60,000/-*

*As per the AO no details have been furnished by the appellant as well as this creditor have not responded to the inquiries made by the AO. Per contra appellant submitted that the confirmation letter was submitted during the assessment proceedings and TDS was also deducted on the interest paid. Appellant has, hence, contended that the identity and the genuineness of the transaction is proved. Appellant has not commented on the creditworthiness of this party to advance such unsecured loan to the appellant. It is settled law that onus is on the appellant to prove the creditworthiness of the creditor. In this case admittedly appellant has not been able to furnish any details on the creditworthiness and also the said creditor has not responded to the notice u/s. 133(6) issued by the AO. hence, the addition made by the AO u/s.68 amounting to Rs.3,60,000/- towards the amounts received form Chimanlal Uderanni HUF is confirmed.*

*(b) Radhika Deepak Soni Rs. 7,50,000/-*

*As per the AO no details have been furnished by the appellant as well as this creditor have not responded to the inquiries made by the AO. In the rebuttal to the remand report appellant has not controverted these facts as well as have not made any submission hence, the additions made by the AO amounting to Rs.7,50,000/- u/s 68 of the Act towards the amount received from this creditor is confirmed.*

*(c) H. H. Traders Rs. 5,00,000/-*

*As per the AO no details have been furnished by the appellant as well as this creditor have not responded to the inquiries made by the AO. In the rebuttal to the remand report appellant has not controverted these facts as*

*well as have not made any submission hence, the additions made by the AO amounting to Rs.5,00,000/- u/s.68 of the Act towards the amount received from this creditor is confirmed.*

*(d) Bansilal Kanjani - Rs.5,00,000/-*

*As per the AO no details have been furnished by the appellant as well as this creditor have not responded to the inquiries made by the AO. Per contra appellant submitted that the said amount has been repaid by it in the next year through account payee cheque and the account has been squared off. Appellant further submitted that on the interest payment due TDS was effected. For these reasons appellant contended that the transactions proved to be genuine. I find that appellant has not submitted any details relating to the loan received from this creditor either before the AO or as additional evidence which were forwarded to the AO. Hence, the general statement given by the appellant without any corroborative evidence accordingly the sum of Rs.5,00,000/- added by the AO towards this cash credit is confirmed.*

*(e) Manju Uderrani - Rs. 1,40,000/-*

*As per the AO no details have been furnished by the appellant as well as this creditor have not responded to the inquiries made by the AO. Per contra appellant submitted that the said amount has been repaid by it in the next year through account payee cheque and the account has been squared off. Appellant further submitted that on the interest payment due TDS was*

*effected. For these reasons appellant contended that the transactions proved to be genuine. I find that appellant has not submitted any details relating to the loan received from this creditor either before the AO or as additional evidence which were forwarded to the AO. Hence, the general statement given by the appellant without any corroborative evidence accordingly the sum of Rs.1,40,000/- added by the AO towards this cash credit is confirmed.*

*(f) Jaikishan soni HUF - Rs.5,00,000/-*

*As per the AO no details have been furnished by the appellant as well as this creditor have not responded to the inquiries made by the AO. Per contra appellant submitted that the said amount has been repaid by it in the next year through account payee cheque and the account has been squared off. Appellant further submitted that on the interest payment due TDS was effected. For these reasons appellant contended that the transactions proved to be genuine. I find that appellant has not submitted any details relating to the loan received from this creditor either before the AO or as additional evidence which were forwarded to the AO. Hence, the general statement given by the appellant without any corroborative evidence accordingly the sum of Rs.5,00,000/- added by the AO towards this cash credit is confirmed.*

*(g) Sharda Jagdish Rs.5,00,000/-*

*As per the AO no details have been furnished by the appellant as well as this creditor have not responded to the inquiries made by the AO Per contra appellant submitted that the said amount has been repaid by it in the next year through account payee cheque and the account has been squared off. Appellant further submitted that on the interest payment due TDS was effected. For these reasons appellant contended that the transactions proved to be genuine. I find that appellant has not submitted any details relating to the loan received from this creditor either before the AO or as additional evidence which were forwarded to the AO. Hence, the general statement given by the appellant without any corroborative evidence accordingly the sum of Rs.5,00,000/- added by the AO towards this cash credit is confirmed.*

*(h) Nikita Changunani - Rs.5,00,000/-*

*As per the AO no details have been furnished by the appellant as well as this creditor have not responded to the inquiries made by the AO. Per contra appellant submitted that the said amount has been repaid by it in the next year through account payee cheque and the account has been squared off. Appellant further submitted that on the interest payment due TDS was effected. For these reasons appellant contended that the transactions proved to be genuine. I find that appellant has not submitted any details relating to the loan received from this creditor either before the AO or as additional evidence which were forwarded to the AO. Hence, the general statement given by the appellant without any corroborative evidence accordingly the sum of Rs.5,00,000/- added by the AO towards this cash credit is confirmed."*

3.3. In the light of the above, since even before us, the Ld.counsel for the assessee was unable to demonstrate the genuineness of these unsecured loans by way of any evidence, the order of the Ld.CIT(A) upholding their treatment as unexplained cash credits u/s.68 of the Act is confirmed. The addition u/s.68 of the Act accordingly of Rs.37,50,000/- pertaining to the aforementioned eight parties is, therefore, upheld.

4. Now, taking up the other parties in the list of unsecured loans was confirmed by the Ld.CIT(A), we shall first deal with them each one separately.

(1) Firstly, taking up unsecured loan amount of Rs.5 lakhs purportedly taken from Naresh Bhagchandani.

We have noted from the order of the Ld.CIT(A) that it was treated as unexplained for the reason that the assessee had filed return of income of the said party declaring income of Rs.1,69,840/- and the bank statement only for the period from 19/09/2011 to 28/09/2011 which was not even for a month. Therefore, the Ld.CIT(A) noted that the Assessing Officer was unable to verify the creditworthiness of this loan/creditor. Before us, as per

the Tabular Chart submitted by the Ld.counsel for the assessee has relied on ITR and bank statement, placed before us at Page Nos.37 & 38 of the paper-book to discharge his onus of proving the genuineness of the creditworthiness. We have gone through the relevant pages and have found the return of income of the said party noted by the Ld.CIT(A) reflecting the income of Rs.1,69,840/- at page No.38 of the paper-book and copy of ledger account of the said party in the books of the assessee. It is evident that assessee has failed to prove its creditworthiness as noted by the authorities below by filing copy of his bank statement at the least. Therefore, we do not find any infirmity in the findings of the Ld.CIT(A) treating the impugned unsecured loan of Rs.5,00,000/- from Shri Naresh Bhagchandani as not genuine. The Ld.counsel for the assessee contented that the ledger account reveals the loan to have been returned in the succeeding year and, therefore, its genuineness is proved. We are not impressed with this argument of the Ld.counsel for the assessee in the absence of any bank statement evidencing the aforesaid facts. These facts cannot be appreciated merely on the basis of the ledger accounts of the assessee and they need to be substantiated with third party evidences. Therefore, we reject the contention/argument of the Ld.counsel for the assessee and confirm the addition of Rs.5 lakhs of unsecured loan pertaining to Shri Naresh Bhagchandani.

(2) Taking up next unsecured loan amount of Rs.9, 50,000/-- purportedly taken from Janki Premchand Udernani.

The order of the Ld.CIT(A) reveals that no details of the genuineness and creditworthiness of this transaction could be verified since the notice

sent to the office to the said parties received back “unserved” and the assessee had submitted that the creditor had expired in the meanwhile. The Ld.CIT(A) notes that no details were furnished by the assessee to show the creditworthiness of the party and the genuineness of the loan and, therefore, the addition of this loan of Rs.9,50,000/- was confirmed by the Ld.CIT(A). Before us also, except for placing the Death Certificate, no other evidences were furnished by the Ld.counsel for the assessee. Therefore, we are constrained to uphold the addition confirmed by the Ld.CIT(A) since no evidence to establish the genuineness of the said loan has been filed.

(3) Taking up next unsecured loan amount of Rs.8 lakhs purportedly received from Kanxit Viren Shah

In the case of said party also, the order of the Ld.CIT(A) reveals that as evidence of creditworthiness of the said party, the assessee had filed copy of bank statement beginning only for the period from the date of loan was given to assessee, i.e. on 18/01/2012 onwards. The Assessing Officer and the Ld.CIT(A) therefore held that creditworthiness of the said party could not be verified in the absence of the bank statement of the earlier period and, therefore, added the said loan as unexplained credit to the income of the assessee. The details filed by the assessee before us, reveals that it had submitted confirmation of the said party and the copy of bank statement confirmation have been placed before us at page Nos.39 to 42 of the assessee’s paper-book. From the page No.39 of the paper-book, we find the ledger accounts in the books of the assessee revealing receipt of loan of Rs.8 lakhs taken from the said party in January-2012, payment of interest thereon by the assessee and payment back of the loan to the tune of Rs.4 lakhs in

March-2013. The said amount is revealed to be outstanding even at the fag end of the Financial Year, ending on 31/03/2014. Confirmation of the party is placed at page No.41 of the paper-book and the bank statement of the said party from the date of giving of the loan is placed at page No.42 of the paper-book of the assessee. Considering the above, we do not find any infirmity in the order of the Ld.CIT(A) holding that the creditworthiness of the party remains to be established on account of the complete bank statement not having been furnished by the assessee. The copy of the bank statement gives no idea of the source of Rs.8 lakhs of funds given by Kanxit Viren Shah to the assessee. Therefore, we agree with the findings of the Ld.CIT(A) that the creditworthiness of the party remains unproved. In this case also, the Ld.counsel for the assessee contended that since half of the loan was repaid in the succeeding year, it is to be treated as genuine but, as held by us, in the case of Naresh Bhagchandani, in the absence of any third party evidence to substantiate the repayment of loan, we are unable to find any merit in this submission made by the Ld.counsel for the assessee. Therefore, the unsecured loan of Rs.8 lakhs from Kanxit Viren Shah treated as unexplained credit u/s.68 of the Act, is therefore confirmed.

(4) Taking up next unsecured loan amount of Rs.5 lakhs received from Pushpa Kalumal Bhagchandani

We find that for the same reasons as noted in the case(s) of Kanxit Viren Shah and Naresh Bhagchandani, that only part of the bank statement was furnished of the loan creditor(s), the Ld.CIT(A) and the Assessing Officer had held that creditworthiness of the party was not proved. For the same reasons, in the case of Pushpa Kalumal Bhagchandani also, the

creditworthiness of the party was to be treated as unproved since the bank statement submitted was only for one day, wherein after opening the balance as of Rs.1,724/-, Rs.5,00,000/- was transferred in this account from some unknown account and the said amount advanced to the assessee the very next date. Noting the said facts, the Ld.CIT(A) held that the creditworthiness of the party were remained unproved and confirmed the action of the Assessing Officer treating the loan received as unexplained. Before us, Ld.counsel for the assessee has relied on the very same documents as were submitted before the Ld.CIT(A), i.e. ITR confirmation and copy of bank statement are placed at Page Nos.43 to 47 of the paper-book submitted by the assessee. We have gone through all the documents placed before us and we find the factual finding of the Ld.CIT(A) that the bank statement submitted by the assessee was only for one day showing receipt of Rs.5 lakhs from said party and was advanced to the assessee as loan as remained uncontroverted, the assessee has not been able to demonstrate before us or explain in any manner this source of Rs.5 lakhs received it in its bank account. Therefore, we have no option except to confirm the order of the Ld.CIT(A) treating the loan of Rs.5 lakhs received from Pushpa Kalumal Bhagchandani as unexplained.

- (5) Taking up next unsecured loan(s) amount of Rs.5 lakhs received from Bhagawandas Tinumal Kanjani, amount of Rs.5 lakhs received from Dipak Kalumal HUF, amount of Rs.4 lakhs from Kokilaben Kantilal Shah, amount of Rs.6 lakhs from Dinesh K. Kanjani and amount of Rs.5,00,000/- from Tulsidas Logmal HUF.

Order of the Ld.CIT(A) reveals that the loan(s) of Rs.5 lakhs taken from Bhagawandas Tinumal Kanjani, Rs.5 lakhs from Dipak Kalumal HUF,

Rs.4 lakhs from Kokilaben Kantilal Shah, Rs.6 lakhs from Dinesh K.Kanjani and Rs.5 lakhs from Tulsidas Logmal HUF were also treated as unexplained for the same reason as in the case of Pushpa Kalumal Bhagchandani noting that only a part of the bank statement of the said parties were submitted by the assessee, wherein there was receipt of an identical amount from unknown source which in turn advanced as loan to the assessee and no explanation was given about the source of receipt of each loan amount. Before us also, from the tabular chart submitted by the assessee, the assessee was unable to explain the source of these five amounts and in turn to prove their creditworthiness in any way, therefore for the reasons stated in the case of Pushpa Kalumal Bhagchandani(supra), the unsecured loan(s) amount of Rs.5 lakhs from Bhagawandas Tinumal Kanjani, amount of Rs.5 lakhs from Dipak Kalumal HUF, amount of Rs.4 lakhs from Kokilaben Kantilal Shah, amount of Rs.6 lakhs from Dinesh K.Kanjani and amount of Rs.5 lakhs from Tulsidas Longmal HUF are confirmed.

(6) Now, with respect to loan of Rs.10 lakhs from Rakesh Bakshani, from the order of the Ld.CIT(A) reveals that the same was treated as not genuine since the assessee had filed only ITR of the said party and no other details, such as, copy of bank account, order confirmation were filed. Before us, the assessee has filed copy of its ledger account, placed at Page Nos.71 to 73 of the paper-book for the period 01/04/2011 to 31/03/2014 and has tried to plead that the loan was returned back in the year 2014. In the absence of any substantiation of the said claim by any third party evidence, this plea of the assessee is rejected and the order of the Ld.CIT(A) is confirmed treating the loan of Rs.10 lakhs taken by the assessee from Rakesh Bakshani as unexplained u/s.68 of the Act.

5. In effect, order of the Ld.CIT(A) confirming addition made u/s.68 of the Act of Rs.1.05 crores is upheld. Ground No.(i) of appeal is dismissed.

6. Ground No.(ii) of appeal relates to disallowance of UL Certificate of Rs.63,080/-. The order of the Ld.CIT(A) reveals that the assessee had claimed total expenses of Rs.1,15,433/- on account of UL Certificate expenses and in the absence of any corroborative evidence to prove the genuineness, the Assessing Officer had disallowed an amount of Rs.63,080/-. Since no evidences were furnished by the assessee before the Ld.CIT(A) with regard to the same, he confirmed the addition. Before us also, the assessee was unable to prove the genuineness of the UL Certificate expenses of Rs.63,080/- by way of any evidence. In view of the same, the disallowance of UL Certificate expenses to the tune of Rs.63,080/- is confirmed. Thus, ground No.(ii) of appeal is dismissed.

7. Ground No.(iii) of appeal relates to disallowance of Interest Rs.1,80,307/-. Order of the Ld.CIT(A) reveals that the interest amounting to Rs.1,80,307/- had been disallowed by the Assessing Officer u/s.40(a)(ia) of the Act, since the assessee had not deducted tax at source on the same. Before the Ld.CIT(A), the assessee contended that the payees had submitted Form No.15G/15H for non-deduction of tax at source on interest, but no such forms were submitted to the CIT(A) and, therefore, the disallowance of interest expenses were upheld by the Ld.CIT(A). Even before us also, no evidences have been furnished by the Ld.counsel for the assessee in substantiating its plea of allowability of the same, in terms of 40(a)(ia) of the Act, therefore the order of the Ld.CIT(A) confirming disallowance of

interest of expenses amounting to Rs.1,80,307/- u/s.40(a)(ia) of the act is upheld. Thus, ground No.(iii) of appeal is dismissed.

8. In effect, appeal of the Assessee is dismissed.

**Order pronounced in the Court on 08<sup>th</sup> March, 2024 at Ahmedabad.**

**Sd/-  
(T.R. SENTHIL KUMAR)  
JUDICIAL MEMBER**

**Sd/-  
(ANNAPURNA GUPTA  
ACCOUNTANT MEMBER**

Ahmedabad, Dated 08/03/2024

*टी.सी.नायर, व.नि.स.।T.C. NAIR, SK. PS*

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त (अपील)/ The CIT(A)-8, Ahmedabad
5. विभागीय प्रतिनिधि,आयकर अपीलीय अधिकरण ,राजकोट/DR,ITAT, Ahmedabad,
6. गार्ड फाईल /Guard file.

आदेशानुसार/ BY ORDER,

**//True Copy//सत्यापित प्रति //**

सहायक पंजीकार (Asstt. Registrar)  
आयकर अपीलीय अधिकरण, ITAT, Ahmedabad