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whereunder the addition to the tune of Rs.94,79,996/- on unexplained cash credit under Section 68 of the Act has been confirmed.

2. The brief fact leading to the case is this that the assessee before us received unsecured loan each from Udit Garg and Vidit Garg to the tune of Rs.50,50,000/- in the year 2014. During the course of assessment proceedings, the confirmation in regard to the unsecured loan total amounting to Rs.6,42,26,586/-, as was reflecting in the books of accounts of the assessee, was asked for. In response thereto, relevant documents were produced before the Learned AO to prove the identity and creditworthiness of the lenders and genuineness of the transactions held during the year. The assessee further submitted the details in respect of the loans amounting to Rs.5,47,46,590/- availed of during the A.Y. 2018-19 i.e., the year under consideration, out of the total unsecured loan of Rs.6,42,26,586/- that have been reflecting in the books of accounts of the company at the year end. It was further submitted that the books of accounts of the Appellant showed an opening balance as on 01.04.2017 on unsecured loan to the tune of Rs.44,30,000/- and Rs.50,50,000/- taken from Mr. Udit Garg and Mr. Vidit Garg respectively. During the year under consideration, no additions/deletion took place in the aforesaid accounts. The aforesaid accounts, i.e., opening balance of account as on 01.04.2017 unsecured loan from the said two persons was same as their closing balance. When the appellant were issued notice under Section 142(1) of the Act dated 29.12.2020 directing him to prove the identity, genuineness and creditworthiness of the person from whom the unsecured loans were taken/squared off 'during the year under

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consideration', it was placed by the assessee that neither the aforementioned loans from Mr. Udit Garg and Vidit Garg were taken during the current year nor squared off during the year under consideration, thereby, information with respect to these two accounts of unsecured loans were not provided by the appellant. A show-cause notice dated 13.04.2021 was further issued directing him to file the reply by 15.04.2021 justifying identity and creditworthiness of the lenders and genuineness of the transactions. The appellant submitted the confirmation of account balance by the lenders as on 01.04.2018, Ledger of the lenders in books of the appellant, ITR Acknowledgement of the lenders for A.Y. 2018-19, PAN Card of the lenders and Bank account statement of the lenders along with bank statement of the appellant reflecting the repayment as on 20.03.2019.

3. However, the explanation rendered by the appellant was not found acceptable and addition to the tune of Rs.94,79,996/- was made in the hands of the assessee on the ground that genuineness of the transaction has not been able to be established by the appellant. In appeal, the same was confirmed. Hence, the instant appeal before us.

4. At the time of hearing of the instant appeal, the Learned Counsel appearing for the appellant submitted before us that the unsecured loan of Rs.50,50,000/- each from Udit Garg and Vidit Garg was received by the appellant on 24.06.2014 vide Cheque No.484383 dated 24.06.2014 from Karur Vyasya Bank and RTGS respectively. It was further submitted by the Learned AR that an amount of Rs.6,20,000/- was repaid to Shri Udit

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Garg on 11.02.2015 by and under Cheque No.000113 dated 10.02.2015 and Rs.44,30,000/- on 20.03.2019 via RTGS. Similarly, the amount of Rs.50,50,000/- was repaid to Vidit Garg on 20.03.2019 via RTGS which establishes that neither the loan was received in the year under consideration nor squared off during the year under consideration. In this regard, he has drawn our attention to Page 5 of the written submission filed before us, wherein the transactions summarized as follows:

S. No.	Loan amount	Advanced by	Credit date	Transaction via	Repayment
1.	50,50,000/-	Udit Garg	24.06.2014	Cheque No.484383 dated 24.06.2014 from Karur Vyasya Bank	Rs.6,20,000/- on 11.02.2015 via Cheque No.000113 dated 10.02.2015 Rs.44,30,000/- on 20.03.2019 via RTGS.
2.	50,50,000/-	Vidit Garg	24.06.2014	RTGS	Rs.50,50,000/- on 20.03.2019 via RTGS.

5. As the transaction does not pertain to the year under consideration which has not been considered by the authorities below in its proper perspective and hence, the entire assessment on making addition is not sustainable as submitted by the Learned AR.

6. Under these facts and circumstances of the matter, he prayed for remitting the matter to the file of the Learned AO to verify such details

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and to pass the order accordingly, which has not been objected by the Learned DR with all his fairness.

7. Having heard the Learned Counsel appearing for the parties, having regard to the facts and circumstances of the case and taking into consideration the submissions made by the Learned AR with supporting documents as annexed to the paper book filed before us, we find it fit and proper to remit the issue to the file of Learned AO for verification of the factual aspect of the matter of receiving disputed unsecured loan and repayment thereof made by the assessee as narrated hereinabove and to pass a reasoned order upon granting an opportunity of being heard to the assessee and upon considering the evidence on record or any other evidence which the assessee may choose to file at the time of hearing of the matter. With the aforesaid observation, the appeal preferred by the assessee is allowed for statistical purposes.

8. In the result, appeal of assessee is allowed for statistical purposes.

**This Order pronounced in Open Court on 05/07/2024**

Sd/-  
(G. S. PANNU)  
VICE PRESIDENT

Sd/-  
(Ms. MADHUMITA ROY)  
JUDICIAL MEMBER

Dated 05/07/2024

*Priti Yadav, Sr.PS\**

**Copy forwarded to:**

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

ASSISTANT REGISTRAR  
ITAT NEW DELHI