

IN THE INCOME TAX APPELLATE TRIBUNAL, RANCHI BENCH, RANCHI

BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER AND
SHRI RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER

I.T.A. No. 04/Ran/2022 (Assessment Year-2012-13)

(Virtual Hearing)

Indian Progressive Construction Private Limited, Aastha, Near Geeta Devi DAV Public School, Castairs Town, Deoghar-814112, Jharkhand. PAN No. AABC 17487 B	Vs.	DCIT, Circle-3, Deoghar.
Appellant/ Assessee		Respondent/ Revenue

Assessee represented by	Shri M.K. Choudhary, Adv.
Department represented by	Shri Khubchand T. Pandya, Sr.DR
Date of hearing	03/04/2025
Date of pronouncement	03/04/2025

ORDER

PER: BENCH

1. This appeal by the appellant is directed against the order of National Faceless Appeal Centre, Delhi (NFAC)/ learned Commissioner of Income Tax (Appeals), [in short, the Id. CIT(A)] dated 09/12/2021 for the Assessment Year (AY) 2012-13.

In this appeal, the appellant has raised following grounds of appeal:

- "1. For that Ld. CIT(Appeals) Dhanabd was unjustified in sustaining addition of alleged non-substantiated unsecured loan amounting to ₹ 45,00,000/- on flimsy grounds. The addition sustained is unjustified and uncalled for.
 - 1.1 For that complete details of the Cash Creditors including confirmation of the loan, Audited accounts, Acknowledgment if IT return, their bank account of the Hallmark Commoddeal (P) Ltd. were filed. The same stood verified directly by Ld. AO. The identity, genuinenity and creditworthiness stands proved. As such the addition made is fit to be deleted.
 - 1.2 For that the Ld. AO failed to understand that this HCPL is a registered company duly been registered at ROC and was filing the IT return regularly which stood been accepted by IT Department. The three ingredients identity, genuineness and creditworthiness stands proved.
 2. For that other grounds, if any, will be argued/take up at the time of hearing."
2. The facts of the case, in brief, are that in this case, assessment order was passed under Section 143(3) of the Income Tax Act, 1961 (in short, the Act)

dated 26/03/2015 and the income was assessed at ₹ 2,69,20,470/-, subsequently, the Id. Pr.CIT, Dhanbad vide its order dated 31/03/2017 set aside the assessment order dated 26/03/2015 under Section 263 of the Act with a direction to Assessing Officer to pass the assessment order afresh after making proper enquiries and necessary investigations on the issues raised therein. Accordingly, the Assessing Officer passed assessment order under Section 143(3) read with section 263 of the Act on 28/12/2017 and made additions of ₹ 45.00 lacs on account of unsecured loan on the ground that the genuineness of the same was not established during the course of assessment proceedings.

3. The assessee filed appeal before the Id. CIT(A) who vide impugned order dated 09/12/2021 for the assessment year under consideration, confirmed the order of Assessing Officer on the ground that the appellant had not discharged the onus cast upon it to explain the cash credits appearing in the books of account of the appellant. The Id. CIT(A) also stated in the impugned order that the assessee was given as many as five opportunities but no documents or details were filed before him during the course of appellate proceedings to establish three ingredients as required under Section 68 of the Act i.e. the identity of the parties, their creditworthiness and the genuineness of the transactions.
4. Aggrieved by the order of the Id. CIT(A), this appeal has been preferred before this Tribunal.
5. During the appellate proceedings before us, the appellant has submitted paper book wherein it has been submitted as under:

"As required information in the case of M/s Indian Progressive Construction Pvt. Ltd. For the FY 2011-12 (Asstt. Yr. 2012-13).

1. *We have given unsecured loan to M/s Indian Progressive Construction Pvt. Ltd. Deoghar and having outstanding value of Rs. 45,00,000/- as on 31/03/2012. (A copy of Loan confirmation in this regard is enclosed)*
2. *Our Company is also allotted a PAN no. AACCH1135Q with Income Tax Department and is filling its income tax return on regular basis which are assessed on regular basis.*
3. *For the Asst. Yr. 2009-10, our company was assessed u/s 147/143(3) of the income Tax Act on 27/12/2016 by ITO Ward 14(2), Kolkata. (Copy of Assessment Order enclosed)*
4. *The Directors of M/s Indian Progressive Construction Pvt. Ltd. are well known to our Company Directors.*
5. *We have provided a unsecured loan of Rs. 45.00,000/- during the F.Y. 2011-12 through banking channel from our available accumulated fund and we are also earning interest on unsecured loan provided to the said company and TDS deducted are also claimed in our ITR on regular basis with effect from Asst. Yr. 2013-14. (Copy of ITR enclosed).*
6. *As asked 'regarding adverse order we hereby confirm that no adverse order is passed in past by Income Tax, SEBI, ED, ROC, etc. for the company. However copy of order u/s 147/143(3) of income Tax Act dated 27/12/2016 for the Asst. Yr. 2009-10 in which no adverse opinion was taken by the assessing officer. (Copy of Order Enclosed).*
7. *As asked regarding providing loan to M/s Indian Progressive Construction Pvt. Ltd. reflected on bank statement, the transaction was made from our accumulated capital fund.*
8. *As asked regarding identity/genuineness & creditworthiness, we are providing copy of master data available with Registrar of Company which shows that our company active and going concern.*
9. *As asked regarding genuineness of transaction we have given unsecured loan through banking channel and no cash has been deposited in bank for doing the transaction.*
10. *As asked regarding credit worthiness the company has sufficient share capital and reserves in the Balance Sheet and the Loan was given from our own available sources. Sir. we further pray your honor to consider our new mail id as hallmarkcommodeal@gmail.com for any type of further correspondence in this regard."*

6. On the other hand, the learned Senior Departmental Representative (Id. Sr.DR) for the revenue supported the orders of the lower authorities.
7. We have considered the submissions of both the parties and we are of the view that the assessee has not discharged its duty cast upon him to establish the genuineness of unsecured loan amounting to ₹ 45.00 lacs from various parties both during the assessment proceedings as well as appellate proceedings before the Id. CIT(A). We, therefore, on the request of the appellant, restore the matter back to the file of Assessing Officer to consider all the details as submitted by the appellant before us and after examining the same, pass a fresh assessment order. The appellant is also directed to produce all the necessary document, evidences before the Assessing Officer to substantiate that unsecured loans obtained from various parties are genuine. In the result, the grounds of appeal raised by the assessee are allowed for statistical purposes.
8. In the result, this appeal of assessee is allowed for statistical purposes only.

Order pronounced in open court on 03rd April, 2025.

Sd/-
(GEORGE MATHAN)
JUDICIAL MEMBER

Sd/-
(RATNESH NANDAN SAHAY)
ACCOUNTANT MEMBER

Ranchi, Dated: 29/04/2025

**Ranjan*

Copy to:

1. Assessee
2. Revenue
3. CIT
4. DR
5. Guard File

By order

Sr. Private Secretary, ITAT, Ranchi