



**IN THE INCOME TAX APPELLATE TRIBUNAL,
RANCHI BENCH, RANCHI**

**BEFORES/SHRI GEORGE MATHAN, JUDICIAL MEMBER
AND RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER**

ITA No.34/RAN/2024
Assessment Year: 2017-18

Gopal Agarwal, C/O Bhupendra Agarwal, Kendua Bazar, Near Bansal Electric Kusunda, Dhanbad	Vs.	ITO Ward-1(3), Dhanbad
PAN/GIR No.ACCPA 5075 M		
(Appellant)	..	(Respondent)

Assessee by : Shri Devesh Poddar, Adv
Revenue by : Shri Khubchand T Pandya, Id Sr DR

Date of Hearing : 11/06/2025
Date of Pronouncement :11/06/2025

ORDER

Per Bench

This is an appeal filed by the assessee against the order of the Id CIT(A)-
dated in Appeal No. for the assessment year.

2. Shri Khubchand T Pandya, Id SR DR appeared for the revenue and Shri
DeveshPoddar,Id AR appeared for the assessee.

3. It was submitted by Id AR that the only issue in assessee's appeal was against the action of the Id CIT(A) in confirming the disallowance made by the AO in respect of unsecured loan taken from M.A. Financial Service Pvt Ltd., and M/s. FideliteCommosales Pvt Ltd.,. It was the submission that during the impugned assessment year, the assessee had taken loan of Rs.7 lakhs from M.A. Financial Service Pvt Ltd., and repaid Rs.2 lakhs during the relevant assessment year and the balance was only Rs.5 lakhs. It was the submission that the balance of Rs.5 lakhs was also repaid during the immediately succeeding assessment year being A.Y. 2018-19. Ld AR placed before us the ledger copy of the said unsecured creditor as follows:

M.A.FINANCIAL SERVICES PVT.LTD. 2, LAL SAZAR STREET KOLKATA - 700001						
The Retail Catalyst Ledger Account 7/1A, Grant Lane 3rd Floor, Room No 3E Kolkata 700 012						
1-Apr-2015 to 31-Mar-2018						
Date	Particulars	Vch Type	Vch No	Debit	Credit	Page 1
6-12-2016	To Uco Bank Ch No : 215358 issued	Payment	68	7,00,000.00		
3-1-2017	By Uco Bank Ch. No : 053831 recd.	Receipt	63		1,00,000.00	
13-1-2017	By Uco Bank Ch. No. : 675999 recd	Receipt	64		1,00,000.00	
	By Closing Balance			7,00,000.00	2,00,000.00	
				7,00,000.00	5,00,000.00	
				5,00,000.00	7,00,000.00	
1-8-2017	To Opening Balance					
11-8-2017	By Uco Bank Ch. No : 676003 recd	Receipt	17		1,50,000.00	
16-8-2017	By Uco Bank Ch. No. 676004 recd	Receipt	18		1,50,000.00	
7-9-2017	By Uco Bank Ch. No. : 676005 recd.	Receipt	19		2,00,000.00	
				5,00,000.00	5,00,000.00	

4. Similarly, in respect of FideliteCommosales Pvt Ltd., the assessee had taken loan during the impugned assessment year to an extent of Rs.9,50,000/- and repaid Rs.50,000/- during the assessment year itself and the balance

Rs.9,00,000/- was also repaid during the immediately succeeding assessment year. The ledger account of FideliteCommosales Pvt Ltd., was shown as follows:

(09)

Fidelite Commosales Pvt. Ltd.
Premises No. 08, Tower 4
Emami City Tower
2, Jessore Road
Kolkata - 700028

The Retail Catalyst (Prop: Gopal Agarwal)
7/1A, Grant Lane
3rd Floor, Room No. 3E
Kolkata - 700012
Ledger Account
1-Apr-2016 to 31-Mar-2018

Date	Particulars	Vch Type	Vch No.	Debit	Page 1 Credit
19-9-2016	To IDBI (0419102000002585) ISSUED TO THE RETAIL CATALYST	Payment	44	5,00,000.00	
23-9-2016	To IDBI (0419102000002585) ISSUED TO THE RETAIL CATALYST	Payment	45	4,50,000.00	
14-2-2017	By IDBI (0419102000002585) RECEIVED FROM THE RETAILS CATALYST VIDE CHEQUE NO. 676000 OF AXIS BANK	Receipt	14		50,000.00
	By Closing Balance			9,50,000.00	50,000.00
					9,00,000.00
				9,50,000.00	9,50,000.00
1-5-2017	To Opening Balance			9,00,000.00	
3-5-2017	By IDBI (0419102000002585) RECEIVED FROM THE RETAILS CATALYST VIDE CHEQUE NO. 676001 OF AXIS BANK	Receipt	1		2,50,000.00
8-5-2017	By IDBI (0419102000002585) RECEIVED FROM THE RETAILS CATALYST VIDE CHEQUE NO. 676002 OF AXIS BANK	Receipt	2		2,50,000.00
7-9-2017	By IDBI (0419102000002585) RECEIVED FROM THE RETAILS CATALYST VIDE CHEQUE NO. 676007 OF AXIS BANK	Receipt	19		4,00,000.00
				9,00,000.00	9,00,000.00

5. It was the submission that as the loans have been taken and repaid during the immediately succeeding assessment year, the addition made by the AO and confirmed by Id CIT(A) be deleted.

6. In reply, Id Sr DR vehemently supported the orders of the AO and Id CIT(A).

7. We have considered the rival submissions. A perusal of the facts in the present case clearly shows that the assessee has also repaid the loans during the immediately succeeding assessment year. As the loans had already been squared up, there is no basis in retaining the addition. The ledger accounts of both the unsecured creditors clearly show the repayment and the repayment has not been disputed by the Revenue. This being so, the addition made in respect of the unsecured loans taken from both the parties i.e.M.A. Financial Service Pvt Ltd., and M/s. FideliteCommosales Pvt Ltd. Stands deleted.

8. In the result, appeal of the assessee stands allowed.

Order dictated and pronounced in the open court on 11/06/2025.

Sd/-

(RATNESH NANDAN SAHAY)
ACCOUNTANT MEMBER

Sd/-

(GEORGE MATHAN)
JUDICIAL MEMBER

Ranchi; Dated 11/06/2025
B.K.Parida, SPS (OS)

Copy of the Order forwarded to :

1. The Appellant : Gopal Agarwal, C/O
Bhupendra Agarwal, Kendua Bazar, Near
Bansal Electric Kusunda, Dhanbad
2. The Respondent: ITO Ward-1(3),
Dhanbad
3. The CIT(A)-NFAC, Delhi
4. Pr.CIT,Ranchi
5. DR, ITAT,
6. Guard file.
//True Copy//

By order

Sr.Pvt.secretary
ITAT, Ranchi

