

**IN THE INCOME TAX APPELLATE TRIBUNAL  
LUCKNOW BENCH 'A', LUCKNOW**

**BEFORE SHRI KUL BHARAT, VICE PRESIDENT  
AND  
SHRI ANADEE NATH MISSHRA, ACCOUNTANT MEMBER**

I.T.A. Nos.47, 48 & 49/Lkw/2024  
Assessment Years:2014-15, 17-18 & 18-19

Main Land Finance Pvt. Ltd., 3 <sup>rd</sup> Floor, 69A Lenin Sarani, West Bengal-700013 PAN:AACCM3533D (Appellant)	Vs.	National Faceless Assessment Centre, Delhi. (Respondent)
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Appellant by	None
Respondent by	Shri Amit Kumar, D.R.

**ORDER**

**PER ANADEE NATH MISSHRA:A.M.**

(A) These three appeals have been filed by the assessee pertaining to assessment years 2014-15, 17-18 and 18-19 against impugned appellate orders dated 30/11/2023 (DIN & Order No.ITBA/APL/S/250/2023-24/1058365951(1), dated 08/12/2023 (DIN & Order No.ITBA/APL/S/250/2023-24/1058606785(1) and dated 08/12/2023 (DIN & Order No.ITBA/APL/S/250/2023-24/1058606785(1) respectively of Commissioner of Income Tax (Appeals) ["CIT(A)" for short].

(B) The facts of the case, in brief, are that the assessee is a Non-Banking Financial Company engaged in share trading and investment business. The company provides short term and long term loans/advances to body corporate and thereby earns interest on it. The assessee's case was reopened u/s 147 of the I. T. Act. The assessee is assessed to tax and filed its return of income. The Assessing Officer completed the assessments and made various additions against which the assessee went in appeal before the learned CIT(A). The learned CIT(A) dismissed the appeal of the assessee observing as under:

4.2I have carefully examined the facts of the case, written submission made by the appellant and other relevant records. The ground wise discussion and decision are as under.

**5.1 Ground No. 1 : That under the facts and circumstances of the case, the Ld. AO did not have any justifiable an valid ground before him to make addition of the item of regular assessment in the assessment made under sec. 143A r.w.s 143 sub 3 of the Income Tax Act, 1961 without having any incriminating material to that effect. The addition is bad in law and need to be deleted.**

5.2 During the assessment proceeding, it has been noted by the Assessing Officer that from the perusal of details furnished by the assessee it has been noticed that the assessee has taken credit of TDS but interest income amounting to Rs. 20,71,249/- has not been disclosed in the ITR. Therefore, addition of Rs. 20,71,249/- has been made in the total income of the assessee. It has been further noted by the Assessing Officer that during the course of assessment proceedings completed u/s 147/143(3) for the A.Y.2012-13 and 2013-14 it was concluded that the assessee company was indulged in providing entries to M/sJajodiya Finance Ltd. and M/sBeahulah Enterprises Pvt. Ltd. During the year the assessee has shown short term advance of Rs. 50,00,000/- in the name of M/s Jajodiya Finance Ltd. and also shown credit balance of Rs. 1,79,07,271/- in the name of M/s Beahulah

Enterprises Pvt. Ltd. Keeping in view the past history of the case it was held by the Assessing Officer that the assessee has provided entries to these two companies, thus, 1 % of the total amount i.e. Rs. 2,29,073/- has been added as commission income to the total income of the assessee.

**5.3** During the appellate proceeding, the appellant has submitted that- "During the relevant assessment year, the Appellant gave unsecured loans amounting RS. 98,61,34,794/- to various parties. Out of which we have charged interest on Rs. 44,48,69,794/- and given short term advances of Rs. 54,12,65,000/- on which the Appellant have not charged interest since it was given to the group companies. The Learned Assessing officer wrongly made an addition amounting Rs. 20,71,249/- on the pretext that the Appellant has taken credit of TDS but did not disclose interest income from following parties:

S.No.	Name of the party	Interest Amount	TDS
	Sh. Devki Nandan Bubna	49,332/-	4,994/-
	Smt. Sweta Rani Agarwal	6,92,384/-	49,238/-
	Kalyaneshwari Properties (P) Ltd.	13,29,533/-	1,32,953/-
	<b>TOTAL</b>	<b>20,71,249/-</b>	<b>1,84,185/-</b>

It is to mention that the claim made by AO that the Appellant only took credit of TDS and did not disclose the interest income is factually incorrect. Since, the Appellant disclosed the total interest income of Rs. 3,40,92,970/- which is inclusive of interest income from the above mentioned parties. Moreover, it is to mention that as per Form 26AS, the

Appellant had interest income from unsecured loans of only Rs. 3,23,61,533/- whereas the Appellant disclosed Rs. 3,40,92,970/- as interest income which is far above than the income mentioned in Form 26AS and the Appellant has rightly claimed TDS on that. That the Learned AO wrongly made an addition by treating the advance of Rs. 50,00,000/- given to Jajodia Finance Private Limited and Rs. 1,79,07,271/- given to Beehulah Enterprises Pvt Ltd as mere an entry provided to them just on the basis of "past history of the case" as also stated in the order without appreciating the facts of the case and documents presented to the AO, merely on some preconceive notions. The appellant being an NBFC in its normal course of business advanced certain sum of money to the above mentioned parties to which the AO has questioned which is totally unjustifiable. In view of above facts and legal preposition the addition of Rs. 23,00,320/- be deleted. Hence, the total addition made by the Learned Assessing Officer amounting Rs. 23,00,320/- is wrong and should be deleted."

5.4 I have carefully considered the grounds of appeal, submission made by the appellant and the facts of the case. On perusal of return of income it is seen that no income has been disclosed under the head income from other sources. It is also a fact that appellant has earned interest income amounting to Rs. 49,332/-, Rs.6,92,384/- and Rs. 13,29,533/- from Sh. DevkiNandanBubna, Smt. Sweta Rani Agarwal and Kalyaneshwari Properties (P) Ltd respectively on which TDS of Rs.4,994/-, Rs. 49,238/- and Rs.1,32,953/- was deducted but the corresponding income has not been disclosed in the ITR. **Hence the Assessing Officer was justified in making the addition of Rs. 20,71,249/- to the total income of the appellant.** The appellant has not filed confirmations with regards to the credit balance of Rs.1,79,07,271/- From M/s Beehulah Enterprises Pvt Ltd as well as the short term advance of Rs. 50,00,000/- given to M/s Jajodiya Finance Ltd. It has neither filed confirmations nor explanation with regards to the purpose for which money was advanced and purpose

for which the credit balance was received. In absence of any substantiating documents, the Assessing Officer has been quite lenient in treating these balances as entries provided by appellant to aforementioned companies and has added back only 1% as commission earned for providing these entries. Therefore decision taken by the Assessing officer does not require any interference. **Accordingly additions of Rs. 20,71,249/- on account interest receipts and Rs. 2,29,073/- on account of commission earned are confirmed. Therefore this ground of appeal is dismissed.**

**6.1 Ground No. 2 : That under the facts and circumstances of the case, the AO erred in initiating penalty proceedings under sec. 271 sub sec 1 clause c of the Income Tax Act 1961.**

6.2 This ground of appeal is premature to decide at this juncture.

**7.1 Ground No. 3 : That the assessee craves leave to add, alter, amend, modify or withdraw any ground or grounds of appeal before or at the time of hearing.**

7.2 This ground of appeal is general in nature and hence does not require separate adjudication.

(C) During the course of hearing, none was present on behalf of the assessee. In the past also the appeals were fixed for hearing on 29/04/2024, 05/08/2024, 10/09/2024, 25/11/2024, 02/01/2025, 06/03/2025, 03/06/2025, 21/07/2025, 01/09/2025, 03/11/2025 and 18/12/2025 on which dates either the hearing was adjourned on the request of the assessee or there was no representation from the assessee's side. On 18/12/2025 also, when the hearing was last fixed, none was present on behalf of assessee. In the absence of any representation from the side of the assessee, learned Departmental Representative for Revenue was heard, who relied on the orders of the authorities below. On careful perusal of the

impugned order of the learned CIT(A), and other materials on record, no infirmity is found in it. No material has been presented from either side to justify any interference with or modification of the impugned orders of learned CIT(A). Therefore, the impugned orders of learned CIT(A) are upheld and the appeals are dismissed.

(D) In the result, all the appeals of the assessee are dismissed.

(Order pronounced in the open court on 05/01/2026)

**Sd/.**  
**(KUL BHARAT)**  
**Vice President**

**Sd/.**  
**(ANADEE NATH MISSHRA)**  
**Accountant Member**

Dated:05/01/2026

\*Singh

**Copy of the order forwarded to :**

1. The Appellant
2. The Respondent
3. Concerned CIT
4. D.R. ITAT