

IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCHES : A : NEW DELHI

BEFORE SHRI M. BALAGANESH, ACCOUNTANT MEMBER
AND
SHRI RAJ KUMAR CHAUHAN, JUDICIAL MEMBER

ITA No.4379/Del/2025
Assessment Year : 2009-10

Suresh Chand Goel,
C/o 9, Atta-ur-Rehman Lane,
Civil Lines,
New Delhi – 110 054.

Vs. Income Tax Officer,
Ward 47(1),
New Delhi.

PAN: AFIPG7505H

(Appellant)

(Respondent)

Assessee by : Shri S.B. Gupta, CA
Revenue by : Shri Nitin Kumar Jaiman, Sr. DR
Date of Hearing : 23.12.2025
Date of Pronouncement : 28.01.2026

ORDER

PER RAJ KUMAR CHAUHAN, JM:

This appeal is directed against the order dated 18th June, 2025 passed by the NFAC, Delhi u/s 250 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') wherein the assessment order making an addition of Rs.77,88,000/- was confirmed.

2. The facts in brief as culled out from the proceedings of the authorities below are that on 9th March, 2015 in the case of Shri Narayan Sai and Asharam

Bapu, the Directorate of Income-tax (Inv.), Ahmedabad, took custody of 42 gunny bags seized by Surat Police after executing the warrant u/s 132A of the Act. From the documents found, in the 42 gunny bags the unaccounted money lending business of Asharam Bapu and his associates came to light. During the course of post-search proceedings on 25-26.09.2015, several beneficiaries were identified along with relevant evidence by Surat Directorate. The statement of one of the confident persons of Shri Asharam, Shri Devidas Tikamdas Chattani alias Dev Kumar was recorded u/s 131 of the Act. In his statement, Shri Devidas has stated that from Delhi Ashram, loan was disbursed to around 100 parties out of which the transactions with approximately 60 of such parties was done through Shri Sant Lal Aggarwal, popularly known as Bhagat. Shri Sant Lal Aggarwal was stated to be handler on behalf of such persons. Subsequently, on 9th March, 2016, a survey action was conducted on the office premises of Shri Sant Lal Aggarwal including 5586, Lahori Gate, Naya Bazar, Delhi and in the post survey proceedings, corroborative evidence in the form of business transaction with some of the parties with whom M/s Jagat Agro Commodities Pvt. Ltd. and M/s Jagat Overseas had business transactions, appeared in the list of parties provided by the Surat Directorate. From the ledger account enclosed with the information received, it was noticed that the assessee, M/s Tek Chand Pawan Kumar is one of the entities who had received cash loan from Sri Asharam Bapu through Shri Snat Lal Aggarwal. The relevant portion of the ledger account is reproduced below:-

Date	Credit	Debit	A/c	Contra	Group	F.Y.
28.06.2008	0	39,00,000	Anshu Trading	Delhi	Govind	2008-09
28.06.2008	38,88,000	0	Anshu Trading	Delhi	Govind	2008-09
28.06.2008		38,88,000	Anshu Trading	Interest Received	Govind	2008-09
Total	38,88,000	77,88,000				

3. Accordingly, an information from ADIT (Inv.), Unit-5(3), New Delhi dated 23.06.2016 was received intimating therein the above transaction between the parties. On receipt of the information, the 'reasons to believe' were recorded and the case of the assessee was reopened after obtaining approval of the Id.PCIT-16, New Delhi dated 31.03.2016. Accordingly, notice u/s 148 of the Act was issued to the assessee on 31st March, 2016. The Ld. Counsel for the assessee, vide letter dated 28th June, 2016, made submissions on behalf of the assessee. Subsequently, on 28.06.2016, notice u/s 143(2) and 142(1) were issued to the assessee along with copy of the reasons for reopening the assessment u/s 147 of the Act. The assessee has submitted reply/documents stating that during the year under consideration, the assessee was engaged in the business of trading in food grains. The statement of Shri Suresh Chand of M/s Anshu Trading was recorded u/s 131 of the Act on 16th December, 2016. In his statement, he has categorically denied having any relation with Shri Sant Lal Aggarwal except that he knew his name due to his rice sale/purchase occupation and he has dealing only with respect to the sale and purchase of rice with Shri Sant Lal Aggarwal. The Id. AO was of the opinion that the assessee has confirmed of having business relation with Shri Sant Lal Aggarwal as in response to question No.11

of his statement wherein he has stated that he knew Shri Sant Lal Aggarwal and has supplied rice to him. Accordingly, a show cause notice dated 16th December, 2016 was issued to the assessee asking him to explain the repayment of cash loan of Rs.39 lakh to Shri Sant Lal Aggarwal and also having paid a loan of Rs.38,88,000/- in the form of interest in cash to him in the concerned year. In response to the said show cause notice, the assessee, vide letter dated 26th December, 2016, has asserted that he had never indulged in any cash transaction with Shri Sant Lal Aggarwal and had never taken any cash loan from him. He categorically stated that he had not repaid any cash loan or any interest payment to Shri Sant Lal Aggarwal. He clarified that the assessee had made some sales to M/s Jagat Agro Commodities Pvt. Ltd. during the assessment year 2009-10, but, he didn't know Shri Sant Lal Aggarwal personally because he had never met him. It was further stated that the amount of Rs.77,88,000/- should not be treated as 'Income from other sources' and need not be added to the total income. The ld. AO did not find this reply satisfactory and concluded that the loan has been accepted by the assessee out of the books of account in cash sales, the repayment of the same has also been made out of the books in cash and, hence, the entries are not appearing in the ledgers and other documents submitted by the assessee. Accordingly, the Ld. AO proceeded to make an addition of Rs.77,88,000/- to the total income of the assessee and also separately initiated penalty proceedings.

4. Aggrieved by the impugned order, the assessee filed an appeal before the Ld.CIT(A). During the appellate proceedings, various notices were issued to the appellant which were not complied with, hence, the appeal of the assessee was dismissed, vide order dated 29th December, 2019 by the Ld. CIT(A)-16, New Delhi.

5. The assessee challenged the said order before the ITAT, and the ITAT, Delhi, 'G' Bench set aside the case to the file of the CIT(A), vide its order dated 20.12.2019 in ITA No.1431/Del/2018 directing to decide the appeal on merits and affording reasonable opportunity of hearing to the appellant. Accordingly, during the current proceedings challenged before this Tribunal various notices as found mentioned in para 5.1 of impugned order were issued on eight occasions, but, no response was filed by the assessee. The Ld. CIT(A), in the impugned order, concluded that the aforesaid circumstance shows that the appellant was not interested in pursuing his appeal and in the absence of the appearance from the side of the assessee, the matter was decided on the basis of the material available on record. The concluding para 6.3 of the impugned order shows that the Ld. CIT(A) has not decided the issue on merits as he simply concluded that the appellant has not discharged the burden of proof as required under the respective provision and there is no evidence available on record which can substantiate the grounds of appeal raised by the appellant, hence, the addition made in the case is upheld.

6. Aggrieved by the impugned order, the assessee is in appeal before us and has raised the following grounds of appeal:-

“1 That on the same/identical background, issue, grounds, basis of addition, facts and circumstances as stated by Assessing Officer (“AO”, in short) in the impugned assessment order for AY 2009-10, the hon’ble Income Tax Appellate Tribunal, Bench G, New Delhi vide Order dt. 20/06/2025 in ITA/459/2019 to ITA/462/2019 has deleted the addition in assessee’s own case for AYs 2010-11, 2011-12, 2012-13 and 2013-14. Hence, the addition of Rs.77,88,000 in the impugned assessment order for AY 2009-10 deserves to be deleted.

2 That the assumption of jurisdiction u/s 147 without complying with the mandatory conditions prescribed in sections 147 to 151 of the Income Tax Act, 1961 is illegal and unjustified and, therefore, the impugned assessment order ought to be quashed.

3 That the form typed by the Assessing Officer for obtaining sanction of superior authorities to comply with section 151 for the initiation of proceedings u/s 147, besides containing the reason recorded by the Assessing Officer, also contains the typed text of the satisfaction recorded by the Assessing Officer himself on behalf of the Joint Commissioner of Income Tax and Principal Commissioner of Income Tax, proving non-application of mind by those authorities and also proving their approval taken for granted by the Assessing Officer at the fair value itself, demonstrates and proves beyond any doubt that no independent satisfaction as mandated u/s 151 of the Income Tax Act, 1961 was recorded by the Principal Commissioner of Income Tax and, therefore, the initiation of proceedings u/s 147 is bad in law and the resultant assessment order ought to be quashed.

4. That the reasons recorded by the Assessing Officer for the initiation of proceedings u/s 147 does not contain the name of the assessee making it impossible for the Joint Commissioner of Income Tax and the Principal Commissioner of Income Tax to arrive at the satisfaction of the escapement of income in the hands of the particular assessee for the issue of notice u/s 148 and, therefore, the initiation of proceedings u/s 147 is bad in law and the resultant assessment order ought to be quashed.

5. That satisfaction as well as consequent approval by the Joint Commissioner of Income Tax and the Principal Commissioner of Income Tax was done in mechanical manner and, therefore, the initiation of proceedings u/s 147 is bad in law and the resultant assessment order ought to be quashed.

6. *That the reopening is illegal because reason talked of addition u/s 69 of the payment of interest out of books, which is not covered within the mischief of section 69 and, therefore, there is no satisfaction on the part of the Principal Commissioner of Income Tax in reaching conclusion based on such reason for the issue of notice u/s 148 of the Income Tax Act, 1961.*

7. *That the reopening was made based on borrowed satisfaction and without independent appraisal and application of mind by the Assessing Officer and, therefore, the initiation of proceedings u/s 147 is bad in law and the resultant assessment order ought to be quashed.*

8. *That the initiation of proceedings u/s 147 is illegal and unjustified since the reason as well as the entries of the ledger claimed to be reproduced in the reason is wholly vague. The ledger does not lead to any belief of the payment of interest alleged to be made in cash since no entry of such ledger contains any whisper to the word "cash", denoting cash receipt or payment.*

9. *Without prejudice to the above, the basic ingredient of the principle of natural justice has been violated during assessment stage and, therefore, the assessment order ought to be quashed.*

10. *Without prejudice to the above, the addition of Rs. 77,88,000, without confronting to the assessee the statements of third party recorded at the back of the assessee and without producing the witness whose statement had been recorded at the back of the assessee, and which forms the only material for forming the adverse opinion against the assessee for the purpose of making addition u/s 69 and 69C, is illegal and unjustified and, therefore, ought to be deleted.*

11. *Without prejudice to the above, the addition of Rs. 77,88,000, ignoring the fact, although repeatedly asserted by the assessee during the course of assessment proceedings, that the so-called ledger account mentioned in tabular form in paragraph no. 1.3 at page no. 49 of the assessment order does not pertain to the assessee, and which forms the only material for forming the adverse opinion against the assessee for the purpose of making addition u/s 69 and 69C, is illegal and unjustified and, therefore, ought to be deleted.*

12. *Without prejudice to the above, the addition of Rs. 77,88,000, on account of investment out of books is illegal and unjustified since the allegation in paragraph no. 1.3 at page no. 49 of the assessment order is that the assessee received loan from Sh. Asha Ram Bapu through Sandal Aggarwal. Receipt of amount cannot by any stretch of imagination be termed as investment. Even the ledger account appearing in paragraph no. 1.3 does not show any investment made by one Anshu Trading. Therefore,*

the addition u/s 69 and 69C of Rs. 77,88,000, on account of investment out of books is illegal and unjustified, and ought to be deleted.

13. Without prejudice to the above, the addition of Rs. 39,00,000, u/s 69 on account of the alleged investment out of books is illegal and unjustified since the revenue has itself alleged that the source of the funds is one Sh. Asha Ram Bapu through Sandal Aggarwal.

14. Without prejudice to the above the addition of Rs. 38,88,000, u/s 69C in the assessment order on account of interest payment out of books in cash is illegal and unjustified since the reason recorded by the Assessing Officer states that the addition of interest payment is liable to be made u/s 69, but in the assessment order, the addition of interest payment is made u/s 69C. Therefore, the addition u/s 69C of the so-called interest payment is illegal and unjustified, and ought to be deleted.

15. That on the facts and circumstances of the case, the Assessing Officer was not justified in making addition of Rs. 39,00,000, on account of investment outside the books of account, u/s 69 of the Income Tax Act, 1961.

16. That on the facts and circumstances of the case, the Assessing Officer was not justified in making addition of Rs. 38,88,000, on account of interest paid outside the books of account, u/s 69C of the Income Tax Act, 1961.

17. the appellant craves leave to add or delete any ground of appeal till the appeal is heard and disposed off."

7. We have heard the Ld. AR and the Ld. DR

8. The ld. AR, at the very outset, submitted that since it is the second round of proceedings, therefore, the Tribunal may decide the matter on merit notwithstanding that the impugned order is an ex parte order as the assessee/appellant failed to make submissions before the Ld. CIT(A) during the appellate proceedings on both the occasions. Therefore, the Ld. AR as well as the Ld. DR has addressed us on merits. The ld. AR, pointed out that the present

case is covered by the assessee's own case for AYs 2010-11 to 2013-14 vide the decision of the coordinate Bench in ITA Nos.459, 460, 461 and 462/Del/2019 dated 29th December, 2017 by a common order. It is argued that the coordinate Bench for all the four above assessment years where additions were made on identical and similar grounds, has deleted the addition and set aside the Id. CIT(A)'s order confirming the addition made u/s 69 of the Act. The Id. AR further argued that the table referred at page 49 of the assessment order which is made basis of addition does not contain the name and even the word cash is not mentioned in para 1.3 of the assessment order. It is, therefore, argued that in view of the decision of the coordinate Bench, there was no material to reopen the assessment of the assessee and the addition made is not legally justified and the appeal be allowed and the addition be deleted as has been similarly done by the Id. coordinate Bench for the subsequent four years.

9. The Ld. DR on behalf of the revenue in support of his oral arguments has filed its written arguments making submissions as under:

- (i) The assessee during the restoration proceedings by G Bench of the Hon'ble ITAT vide order dated 20.12.2019, has not filed a written submission/ explanation nor any documentary evidence in support of the grounds in appeal before the Id. CIT(A) and has thus, failed to discharge its statutory obligation before the lower authorities. Therefore, the reliance on the subsequent years order i.e. 2010-11 to 2013-14 order dated 20.06.2025 ITAT Delhi in the case of the

assessee shall tantamount to bypassing the settled procedure as nothing was submitted before the Ld. Lower Authorities with respect to the grounds raised by the assessee.

- (ii) The assessment order for A.Y. 2009-10 (subject matter of the appeal) contains a tabulated analysis of transactions mentioning M/s. Tek Chand Pawan Kumar and the said name appears to be a typographical error and the Assessing Officer intended to refer to M/s. Anshu Trading/ the Proprietary of the assessee, Shri Suresh Chand Goel. The said table forms the transactional backbone of the assessment, demonstrating the flow, nature, and pattern of transactions linked to the assessee. The Ld. DR as put reliance upon Section 292 B of the Act but buttress the point that the minor mistakes/ omissions in the assessment should not adversely effect of the interest of the revenue and as put reliance upon the case of Prime Securities Ltd. vs. Varinder Mehta (2009) 317 ITR 27 (Bom).
- (iii) It is a settled position of law that each assessment year is a separate and independent unit, and findings in one year does not operate as res judicata for another year. Reliance has been placed on Radhasoami Satsang vs. CIT (193 ITR 321) (SC).
- (iv) The burden to establish to the genuineness of transactions lies upon the assessee and mere production of ledger accounts does not discharge this burden unless supported by independent

corroborative evidence. Reliance is placed on CIT vs. Durga Prasad More (82 ITR 540) (SC) and Sumati Dayal vs. CIT (214 ITR 801) (SC).

- (v) The assessment for A.Y. 2009-10 is founded on material gathered during survey proceedings dated 9th March, 2016, which has revealed structured transactions that could not be substantiated by contemporaneous documentary evidence. Further, non-filing of appeal due to low tax effect does not amount to acceptance on merits. Reliance is placed on CIT vs. Surya Herbal Ltd. (350 ITR 300) (SC).
- (vi) The appellant has not argued on merit of the case and has simply put reliance upon the order in its favour for the subsequent year wherein similar addition made were deleted.
- (vii) The principle of consistency is not absolute, particularly for the initial year and therefore, subsequent relief for subsequent year cannot cured deficiencies of the earlier year and the statutory onus under the Act has not been discharged for the current A.Y. 2009-10 by the assessee.

On the basis of these arguments, Ld. DR for the revenue prayed prior for the dismissal of the appeal.

10. We have considered the rival submissions and examined the record. We have noticed from the written submissions made on behalf of the Revenue that

the ld. DR has tried to come out of the predicament of suffering the order against the Revenue for A.Ys. 2010-11 to 2013-14 in the case of the assessee himself, merely by raising basic issues like the consistency is not the absolute rule, and further that the relief in subsequent year does not operate res judicata for the preceding year. Moreover, nothing new has been argued with respect to the relevancy of the material relied by the Assessing Officer for making an addition in the current year as well as in the subsequent years which stand deleted by the ld. Co-ordinate bench. The Revenue authorities needs to follow the consistency and a deviation is permissible only in exceptional cases but the revenue has failed to show any exceptional cases for the current year as the facts and circumstances and the material relied by the revenue is the same and identical as was relied for the A.Y. 2010-11 to 2013-14. Nothing contrary has been brought to our notice with regard to the testing of the said material by the Ld. Co-ordinate Bench in the case of M/s. Shagun Jewellers Pvt. Ltd. which was subsequently followed in M/s. Gian Chand & Sons 741/Del/2020. Hence, we are not convinced by the arguments raised on behalf of the Revenue that the assessee/appellant is not entitled to rely upon the ITAT order for the subsequent assessment year in the case of the assessee wherein the Ld. Co-ordinate Bench in ITA No. 459/Del/2019 for A.Y. 2010-11 to 2013-14 has deleted the similar addition made while relying upon the case of M/s. Shagun Jewelers Pvt. Ltd. We deem it expedient to extract the relevant portion of the order of the Ld. Co-ordinate Bench in assessee's own case for A.Y. 2010-11 to 2013-14 as under: -

“3. Similarly the A.O. made addition of Rs. 99,96,800/- for Assessment Year 2011-12, Rs. 53,78,400/- for Assessment Year 2012-13 and Rs. 1,44,30,000/- for Assessment Year 2013-14 as undisclosed income. As against the assessment orders for the Assessment Year 2010-11 to 2013-14, the Assessee preferred four Appeals before the Ld. CIT(A). The Ld. CIT(A) vide orders impugned dismissed the appeal of the Assessee. Aggrieved by the orders of the Ld. CIT(A), the Assessee preferred the above captioned Appeals.

4. The Ld. Counsel for the Assessee addressing on Ground No. 1 to 7 submitted that there is an absence of live linking or nexus between the material and the A.O's belief of escarpment of income and submitted that the A.O. assumed jurisdiction u/s 147 of the Act on the basis of borrowed satisfaction Investigation Wing, wherein the A.O. had made no independent enquiry and approval has been granted in mechanical manner by the PCIT u/s 151 of the Act. The Ld. Counsel has also taken us through the reasons recorded by the A.O. and submitted that the A.O. in order to form belief of escarpment, relied upon the ledger account in the form of table/chart and statement of Devidas Tikamdas Chattani alias Dev Kumar. The Ld. Counsel further submitted that the issue involved in the present appeal is squarely covered by the order of the Tribunal dated 16/06/2020 in ITA No. 9890/Del/2019 in the case of M/s Shagun Jewellers Pvt. Ltd. and further submitted that the said order of the Tribunal has been followed by the Co-ordinate Bench of the Tribunal in the case of Gian Chand & Sons Vs. ACIT in ITA No. 741/Del/2019 and ors and allowed the Appeals of the Assessee on 01/11/2021 which was having similar set of facts. Thus, prayed for allowing the captioned Appeals.

5. Per contra, the Ld. Departmental Representatives submitted that the statement and corroborative evidence in the form of ledgers reflects the transaction of loan and also proves that the Assessee indeed taken loan/paid interest on the loans from/to Sh. Shantlal Agarwal of Jagat Group, the felicitator of Sh. Asaram Bapu. Apart from the same, the Assessee himself admitted to having trading transaction with Shantlal Agarwal of Jagat Group, therefore, relying on the orders of the Lower Authorities, sought for dismissal of the Appeals of the Assessee.

6. We have heard both the parties and perused the material available on record. We have perused the order of the Co-ordinate Bench of the Tribunal in the case of M/s Shagun Jewellers Pvt. Ltd. (supra) and we find that facts and the circumstances of the said case are similar except the quantum involved in the present Appeals.

7. Further the Co-ordinate Bench of the Tribunal in the case of Gian Chand & Sons (*supra*) has relied on the order of the Tribunal order made in M/s Shagun Jewellers Pvt. Ltd. (*supra*) and deleted the addition. For the sake of ready reference the finding and the conclusion part of the order of the Tribunal in the case of Gian Chand & Sons (*supra*) are reproduced as under: -

“6. We have perused the above quoted order and find the background and facts of the case are similar except the quantum involved. For the sake of ready reference, the relevant portion of the order relied by the ld. AR is reproduced as under:

“5. Briefly stated, the facts of the case are that a search was conducted at Ahmadabad and New Delhi in which certain documents were found and seized by the search party. From the documents found, unaccounted money lending business of Shri Asharam Bapu and his associates came into light. It also came to the knowledge of the Revenue that there were several beneficiaries. Statement of one Shri Devi Das Tikamdas was recorded u/s 131A r.w.s 131 of the Act on 25th and 26th September, 2015.

6. In his statement, Shri Devi Das Tikamdas Chattani stated that whole of the loan account was maintained by one Shri Popatlal Vani. Shri Devi Das Tikamdas Chattani also stated that one Shri Santlal Aggarwal was handler of Rs. 200 crores at Delhi from where the loan was disbursed to around 100 parties, out of which 60 such parties were transacted through Shri Santlal Aggarwal.

7. The Assessing Officer of the assessee was informed by the Investigation Wing of the department that from verification of documents seized, it clearly appears that Shri Santlal Aggarwal received cash loans from Shri Asharam and further disbursed to other parties and the assessee is one of the beneficiaries. According to the Assessing Officer, the

following cash loans were given to the assessee:

<i>Date</i>	<i>Beneficiary Name</i>	<i>Debit</i>	<i>Credit</i>	<i>Group</i>	<i>Contra</i>
01.07.2009	Shagun Jewellers	0	72,00,090	Govind	Delhi
01.07.2009	Shagun Jewellers Pvt. Ltd.	72,00,090	0	Govind	Interest received
01.07.2009	Shagun Jewellers	75,00,000	0	Govind	Delhi
29.03.2010	Shagun Jewellers	0	83,16,000	Govind	Delhi
29.03.2010	Shagun Jewellers Pvt. Ltd.	83,16,000	0	Govind	Interest received
29.03.2010	Shagun Jewellers	83,00,000	0	Govind	Delhi
	<i>Total</i>	<i>3,13,16,090</i>	<i>1,55,16,090</i>		

8. On the strength of the information received from the ADIT, INV, the Assessing Officer assumed jurisdiction u/s 148 of the Act and accordingly, statutory notices were issued and served upon the assessee.

...

25. Coming to the merits of addition of Rs. 1,55,16,090/-, once again, the entire addition revolves around the statement of Shri Devi Das TikamdasChattani. In his statement, Shri Devi Das TikamdasChattani stated that Shri SantLal Aggarwal is handler and is the main person for disbursing cash loan to 60 parties. The alleged cash loans given to the assessee is already exhibited elsewhere at para 7 hereinabove.

26. As mentioned elsewhere, the foundation of the impugned addition is the statement of Shri Devi Das TikamdasChattani. Except for that, there is no direct evidence brought on record to show that any cash transactions took place between the assessee and the said person.

27. On the contrary, the statement of Shri SantLal Aggarwal which is part of the assessment order and is extracted at pages 17 to 24 of the assessment order shows that Shri SantLal Aggarwal, answering to question No. 13, emphatically stated that he does not know who Shri Devi Das TikamdasChattani is. Once again, answering to question No. 18, Shri SantLal Aggarwal stated that he does not know who is

Shri Devi Das TikamdasChattani. Answering to question No. 19, Shri SantLal Aggarwal stated that he does not know Shri Devi Das TikamdasChattani and never handled Rs. 200 crores and no such transaction was done by him except selling rice to the Ashram. In the very same statement, Shri SantLal Aggarwal accepted the transaction of M/s Index Securities and Research Pvt Ltd and the appellat company.

28.The Assessing Officer never confronted Shri Devi Das TikamdasChattani to Shri SantLal Aggarwal. If the statement of Shri Devi Das TikamdasChattani is to be believed, then on the same facts, statement of Shri SantLal Aggarwal cannot be ignored or brushed aside lightly. Merely because the statement of Shri SantLal goes in favour of the assessee, cannot be a reason to disbelieve the same. As mentioned elsewhere, there is no direct evidence brought on record which could suggest that some cash transactions took place between the assessee and the searched person. The observations made by the Assessing Officer at page 25 of the assessment order clearly show that the entire addition has been made on surmises and conjectures. The relevant para of the assessment order reads as under:

"From above it is clear that M/s. Shagun Jewellers has had transactions with M/s Index Securities & Research Put Ltd which was a conduit company managed by Mr.Santlal Aggarwal who has further acted on behalf of Sh. AsharamBapu. Hence, it cannot be ruled out that cash loan were received by the assessee from Santlal Aggarwal. Moreover, the seized material retrieved, clearly indicates that the assessee company has paid Rs. 1,55,16,090/- in cash on account of interest on such cash loan.

29. Considering the facts of the case in hand, in the light of statement of Shri SantLal Aggarwal, we do not find any merit in the impugned addition and the same is directed to be deleted. Accordingly, Ground Nos. 4 and 5 are allowed."

7. The amounts mentioned in the ledger account in the case of the assessee which is the similar ledger considered by the ITAT in the order of the M/s Shagun Jewellers is mentioned below:

A.Y. 2009-10

Date	Debit	Credit	Beneficiary Name Group	Contra
01.04.2008	30000	0	Gian Chand Mohinder Kumar	Delhi
01.04.2008	0	30000	Gian Chand Mohinder Kumar	Interest received
14.06.2008	270000	0	Gian Chand Mohinder Kumar	Delhi
14.06.2008	0	270000	Gian Chand Mohinder Kumar	Delhi
26.07.2008	0	1100000	Gian Chand Mohinder Kumar	Interest received
26.09.2008	487800	0	Gian Chand Mohinder Kumar	Delhi
26.09.2008	0	487800	Gian Chand Mohinder Kumar	Interest received
01.01.2009	567000	0	Gian Chand Mohinder Kumar	Delhi
01.01.2009	0	567000	Gian Chand Mohinder Kumar	Interest received
01.01.2009	1000000	0	Gian Chand Mohinder Kumar	Delhi
31.03.2009	540000	0	Gian Chand Mohinder Kumar	Interest received
31.03.2009	0	540000	Gian Chand Mohinder Kumar	Delhi

A.Y. 2010-11

Date	Debit	Credit	Beneficiary Name Group	Contra	FY
06.12.2009	1000000	0	Gian Chand Mahender	Delhi	2009-10
07.01.2009	534300	0	Gian Chand Mahender	Delhi	2009-10
07.01.2009	0	534300	Gian Chand Mahender	Interest received	2009-10
29.09.2009	513000	0	Gian Chand Mahender	Delhi	2009-10
29.09.2009	0	513000	Gian Chand Mahender	Interest received	2009-10
31.10.2009	2000000	0	Gian Chand Mahender	Delhi	2009-10
12.07.2009	2000000	0	Gian Chand Mahender	Delhi	2009-10
01.08.2010	461700	0	Gian Chand Mahender	Delhi	2009-10
01.08.2010	0	461700	Gian Chand Mahender	Interest received	2009-10
28.03.2010	405000	0	Gian Chand Mahender	Delhi	2009-10
28.03.2010	0	405000	Gian Chand Mahender	Interest received	2009-10

A.Y. 2011-12

<i>Date</i>	<i>Debit</i>	<i>Credit</i>	<i>Beneficiary Name Group</i>	<i>Contra</i>	<i>FY</i>
04.01.2010	0	4000000	Gian Chand Mahender	Delhi	2010-11
24.04.2010	0	1000000	Gian Chand Mahender	Delhi	2010-11
24.06.2010	532200	0	Gian Chand Mahender	Delhi	2010-11
24.06.2010	0	532200	Gian Chand Mahender	Interest received	2010-11
17.08.2010	2500000	0	Gian Chand Mahender	Delhi	2010-11
09.09.2010	0	1000000	Gian Chand Mahender	Delhi	2010-11
10.01.2010	514800	0	Gian Chand Mahender	Delhi	2010-11
10.01.2010	0	514800	Gian Chand Mahender	Interest received	2010-11
12.03.2010	1000000	0	Gian Chand Mahender	Delhi	2010-11
18.01.2011	491100	0	Gian Chand Mahender	Delhi	2010-11
18.01.2011	0	491100	Gian Chand Mahender	Interest received	2010-11
31.03.2011	472500	0	Gian Chand Mahender	Delhi	2010-11
31.03.2011	0	472500	Gian Chand Mahender	Interest received	2010-11

A.Y. 2012-13

<i>Date</i>	<i>Debit</i>	<i>Credit</i>	<i>Beneficiary Name Group</i>	<i>Contra</i>	<i>FY</i>
30.06.2011	412500	0	Gian Chand Mahender	Delhi	2011-12
30.09.2011	0	412500	Gian Chand Mahender	Interest received	2011-12
09.02.2011	1500000	0	Gian Chand Mahender	Delhi	2011-12
30.09.2011	461250	0	Gian Chand Mahender	Delhi	2011-12
30.09.2011	0	461250	Gian Chand Mahender	Interest received	2011-12
27.12.2011	432000	0	Gian Chand Mahender	Delhi	2011-12
27.12.2011	0	432000	Gian Chand Mahender	Interest received	2011-12
02.08.2012	1000000	0	Gian Chand Mahender	Delhi	2011-12

A.Y. 2013-14

<i>Date</i>	<i>Debit</i>	<i>Credit</i>	<i>Beneficiary Name Group</i>	<i>Contra</i>	<i>FY</i>
29.06.2012	450000	0	Gian Chand Mahender	D. Kumar	2012-13
29.06.2012	0	450000	Gian Chand Mahender	Interest received	2012-13
03.10.2012	450000	0	Gian Chand Mahender	D. Kumar	2012-13
03.10.2012	0	450000	Gian Chand Mahender	Interest received	2012-13
01.01.2013	458000	0	Gian Chand Mahender	D. Kumar	2012-13

01.01.2013	0	458000	Gian Chand Mahender	Interest received	2012-13
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8. *Since, the order of the ITAT has already dealt with the copy of the ledger account, statements of various persons recorded during the search and post search, in the absence of any new material brought before us, we decline to deviate from the ratio in the order of the ITAT in the case of M/s Shagun Jewellers Pvt. Ltd.*

9. *With regard to the Ground No. 5 in the A.Y. 2011-12 pertaining to repayment of loan since the same being the part of the same ledger account, the similar ratio of adjudication applies mutatis mutandis.”*

8. *In view of the above, as the Co-ordinate Bench of the Tribunal has already tested the very same copy of ledger account, statement of various person recording during the search and post search and deleted the addition, since no new material brought before us by the Revenue, we find no reason to deviate from the ratio of the Tribunal in the case of M/s Shagun Jewellers Pvt. Ltd. (supra) and Gian Chand & Sons (supra). Accordingly, we allow Grounds of Appeal of the Assessee by deleting the additions confirmed by the Ld. CIT(A).*

9. *In the result, Appeal of the Assessee in ITA Nos. 459/DEL/2019, 460/DEL/2019, 461/DEL/2019 and ITA No. 462/DEL/2019) are allowed.”*

11. In view of the finding of the Ld. Co-ordinate Bench extracted above, we are of the considered opinion that the arguments made by Ld. DR on behalf of Revenue for not following the Co-ordinate bench in assessee’s own case neither convincing nor forceful and therefore does not hold water and are accordingly rejected. Respectfully following the judgment of the Co-ordinate bench in assessee’s case in A.Y. 2010-11 to 2013-14, we are of the considered opinion that the addition made for the year under consideration are accordingly liable to

be deleted. It is ordered accordingly. The impugned order is therefore not sustainable and accordingly set aside.

12. In the result, the appeal of the assessee is accordingly allowed in above terms.

Order pronounced in the open court on 28.01.2026.

Sd/-

(M. BALAGANESH)
ACCOUNTANT MEMBER
Dated: 28th January, 2026

Sd/-

(RAJ KUMAR CHAUHAN)
JUDICIAL MEMBER

Dk/Binita, Sr. PS

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asstt. Registrar, ITAT, New Delhi