

IN THE INCOME TAX APPELLATE TRIBUNAL  
AHMEDABAD "B" BENCH

**Before: Shri T.R. Senthil Kumar, Judicial Member And  
Shri Narendra Prasad Sinha, Accountant Member**

**ITA Nos: 682, 859 & 860/Ahd/2024  
Asst. Years: 2013-14, 2015-16 & 2016-17**

Crystal Ceramics Industries Limited 338/9 Rajpark Society, B/H Samrudhhi Tenament Isanpur, Ahmedabad-382443 Gujarat <b>PAN: AADCC2915L</b>	Vs	The DCIT Central Circle-1(1), Ahmedabad
The DCIT Central Circle-1(1), Ahmedabad  <b>(Appellant)</b>	Vs	Crystal Ceramics Industries Limited 338/9 Rajpark Society, B/H Samrudhhi Tenament Isanpur, Ahmedabad-382443 Gujarat <b>PAN: AADCC2915L (Respondent)</b>

**Assessee Represented: Shri Biren Shah, A.R.  
Revenue Represented: Shri R.P. Rastogi, CIT-DR &  
Shri Abhijit, Sr. D.R.**

Date of hearing : 19-01-2026  
Date of pronouncement : 24-02-2026

**आदेश/ORDER**

**PER: T.R. SENTHIL KUMAR, JUDICIAL MEMBER**

These appeals are filed by the Assessee and Revenue as against the common appellate order dated 27-02-2024 passed by the Commissioner of Income Tax (Appeals)-11, Ahmedabad arising out of the assessment orders passed under section 143(3) r.w.s. 147 of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') relating to the Assessment Years 2013-14, 2014-15 and 2015-16 respectively. Since the common issues are involved in all these appeals, the same are disposed of by this common order for the sake of convenience.

**2. First we deal with Assessee's appeal in ITA No. 682/Ahd/2024 relating to the Assessment Year 2013-14.** Brief facts of the case is that the assessee is a Private Limited Company engaged in the business of manufacturing of tiles. For the Asst. Year 2013-14, assessee filed its Return of Income on 28-09-2013 declaring total income of Rs.1,76,61,290/-. The return was taken for scrutiny assessment and regular assessment order u/s. 143(3) was passed on 28-01-2016 assessing the total income as Rs.1,76,71,160/-. The assessment was reopened based on the information that assessee has taken accommodation entries of Rs.39,00,000/ from M/s.KS Tradeinfra Pvt Ltd. and Rs.11,00,000/ from M/s. Mainak Comtrade Pvt. Ltd. respectively. Therefore a notice u/s. 148 was issued on 24-03-2020.

2.1. In response, the assessee filed Return of Income on 10-07-2020. During the reassessment proceedings, the assessee furnished confirmation of account from M/s. KS Tradeinfra Pvt. Ltd. and M/s. Mainak Comtrade Pvt. Ltd. wherein assessee

received Rs. 56,00,000/- and Rs. 64,00,000/- respectively as share capital. The assessee further claimed the money was refunded to the depositors during the year under consideration, hence the benefit of telescoping be given to the assessee. The Assessing Officer considered the above submissions and held that no documentary evidences of bank statement and source for the amount refunded were produced before him, thereby made addition of Rs.1.2 crores being unexplained income u/s. 68 of the Act.

3. Aggrieved against the reassessment order, assessee filed an appeal before Ld. CIT(A) who has confirmed the addition by observing as follows:

“In the present case, although the appellant has argued that aforesaid unsecured loan was procured in the month of January 2013 and repaid in the month of March 2013 and provided copy of ledger account and ledger confirmation from the lender party, the appellant has failed to provide copy of bank statement in order to establish that repayment has been actually made during the year. Since **the appellant has failed to establish with concrete evidence that loan for Rs. 1,20,00,000/- has been repaid during the year, addition made by the AO is sustained.** Hence, this ground of appeal no. 2 is dismissed.”

4. Aggrieved against the appellate order, the assessee is in appeal before us in ITA No. 682/Ahd/2024 relating to Asst. Year 2013-14 raising the following Grounds of appeal:

1. In law and in the facts and circumstances of the case, the learned CIT(A) has erred in law and on facts of the case in upholding the re-opening the assessment u/s 147 of the Act and the action of re-opening is without jurisdiction and is not permissible either in law or on facts.

2. In law and in the facts and circumstances of the case, the learned CIT(A) has erred in confirming addition of Rs.1,20,00,000/- as unexplained cash credits u/s 68 of the Act.
  3. In law and in the facts and circumstances of the case, the learned CIT(A) has erred in confirming addition of Rs.1,20,00,000/- as unexplained cash credits u/s 68 of the Act without adjudicating the assessee's submission on cross-examination.
  4. In law and in the facts and circumstances of the case, the learned CIT(A) has erred in confirming addition of Rs.1,20,00,000/- as unexplained cash credits u/s 68 of the Act merely based on Third-Party statement in absence of substantial corroborative evidences in support of the alleged addition.
  5. The appellant craves leave to add, alter, amend and/or withdraw any ground or grounds of appeal either before or during the course of hearing of the appeal.
5. Ld. Counsel appearing for the assessee filed before us for the first time Share Transfer Forms, Share Application and Shares Certificates issued to the parties, Board Resolution of the assessee company dated 15-07-2013, 28-09-2013 and 31-03-2014 and SBI bank statement for the relevant period as additional evidences. However, the assessee has not justified the so called and fresh documents pertaining to the Year 2013 and why not produced before the Lower Authorities, when the same were found to be its own documents and not that of third parties. Further the assessee has taken in-consistent stand before Lower Authorities that the unsecured loans were repaid by the assessee company, whereas it share application money. There is no bank statement for the date of repayment by the assessee. Thus the documents are contrary to the facts placed before us, therefore we are not entertaining the additional documents filed before this Tribunal. The ld Counsel

confined his arguments limited to this new documents and not other grounds, therefore the grounds of appeal raised by the assessee are devoid of merits and the same are hereby dismissed.

6. In the result, the appeal filed by the Assessee in ITA No. 682/Ahd/2024 is hereby dismissed.

**Revenue Appeals in ITA Nos.859 & 860/Ahd/2024 relating to the Asst. Yrs. 2015-16 and 2016-17**

7. Assessment year 2015-16 is taken as the lead case. Brief facts are that the assessee had taken loans of Rs.7,97,94,300/- from M/s. Biraj Impex Pvt. Ltd; Rs.6,03,60,500/- from M/s. Boston Trade Link Pvt. Ltd and Rs.6,41,04,500/- from M/s. Vansh Glass Industries Pvt. Ltd. in all totaling to Rs.20,42,59,300/-. During the course of assessment proceedings, the assessee submitted confirmation, bank statements, ITR of such parties to prove identity, genuineness and creditworthiness and explained that such unsecured loans were received through RTGS which were duly reflected in the bank statement of both the parties and thus the sources of such deposits are explained. The assessee also submitted the details of audited annual accounts of the three parties and explained that advances given to the assessee are part of advances reflected in audited annual accounts. The assessee also submitted recovery letters given by above referred parties to the assessee, to prove that transactions were genuine and not bogus.

7.1. The explanation offered by the assessee was not accepted by the Ld AO mainly on the following grounds:

(i) In open enquiries, it was found that Mr. Jigar Trivedi and Jigar Shah are Directors in such companies.

(ii) The AO has made analysis of income profile and balance sheets of above referred companies and observed that such companies do not have any fixed assets, no major expenditure is debited in books of account and TDS is higher than total tax liability, which suggests that such companies are not in genuine business activity.

(iii) The Inspector of the Office of DDIT (prior to commencement of Assessment Proceedings) was deputed to inquire whether such entities are operating from premises shown on MCA site and it was found that address was of a photo-copiers and one person who is a relative of Jigar Trivedi was sitting in such shop. Such report is reproduced at page 35 of the Assessment Order.

(iv) The e-filing of income tax returns of three companies also shows address of B-43, New York Tower, Ahmedabad, and even at such address, companies were not found to be operating. Such report dated 2/12/2019 is at page No. 37 of Assessment Order.

(v) The inquiries were carried out by Investigation Wing from bank of such parties and on examination of such bank statements, they have observed that there was transfer of funds from one account to another account, there are voluminous transactions and no regular expenses are debited in bank account.

(vi) The AO has also referred to analysis of relevant bank statement of Vansh Glass Industries Pvt. Limited made by Investigation Wing wherein amount of Rs.25,00,000/- was credited in two equal instalments from Samay Corporation, paper entity operated by Chintan Bhandari for cheque discounting and such amount was transferred to Priti Diamonds and SKZ Properties. On this basis, AO observed that it is likely that unaccounted cash of such entities was deposited in proprietary concern's bank account and same

was transferred in the bank account of three companies and again same is transferred to original entity.

(vii) The Investigation Wing have made inquiries with VAT Department and it was found that VAT Registration of Biraj Manimpex Pvt. Limited and Vansh Glass Industries Pvt. Limited were cancelled and their status at GST website shows "inactive".

(viii) The AO has also referred to statement of Mr. Jigar Trivedi recorded u/s.131(1A) of the Act on 6/12/2019 and 10/12/2019 (the relevant extracts are reproduced at page No. 47 to 51 of Assessment Order) wherein he had admitted that cash was generally deposited in paper concerns bank account, amount was transferred to three companies' bank account and no business activity was carried out.

(ix) The AO has also referred to affidavit of Mr. Jigar Trivedi filed before DDIT (Investigation Unit) 1(2), Ahmedabad, on 7/12/2024 wherein he had affirmed that transactions appearing in bank account of three companies were made in lieu of commission.

7.2. On this basis, the AO treated loans received from three concerns as unexplained cash credit u/s. 68 of the Act and made addition to that extent of Rs.20,42,59,300/= and demanded tax thereon.

8. On appeal against the reassessment order, Ld CIT[A] considered the submissions of the assessee and passed a detailed speaking order and deleted the additions made by the AO with relevant case laws by observing as follows:

“.... 5.6. On careful consideration of relevant facts on record, it is observed that appellant has taken loan from three parties and in support of such loan, it had submitted confirmations, returns of income, audited annual accounts, bank statements of depositors as

well as its own bank statement during the course of Assessment Proceedings. The appellant has claimed that it has paid interest on such loans and TDS has been deducted on such interest payment. So far as provisions of Section 68 of the Act are concerned, appellant has submitted confirmation of depositors along with their return of income which proves the identity of depositors. The appellant had provided bank statements of such depositors and claimed that prior to giving loan to appellant, no cash deposit was found in bank statement and such fact is not rebutted by the AO in Assessment Proceedings. The appellant had also submitted annual accounts of depositors and even extract of such financial statements are reproduced in Assessment Order which includes details of loans and advances and appellant has claimed that such advances includes advances given to appellant hence sources of such advances are proved by appellant, which is not disputed by AO. The AO in Assessment Order has doubted the creditworthiness of such depositors only on the ground that they have shown meagre income but at the same time, such companies have substantial sources of funds which includes long term and short term liabilities which are used for giving advances and they have earned interest income on advances/paid interest on such deposits.

5.7 The AO has taxed amount received from above referred three concerns as unexplained cash credit mainly relying upon finding of ADI/Inspector Report in the case of Mr. Jigar Shah and Jigar Trivedi, directors of above referred three concerns, which summarized herein above. The above referred inquiry is not with reference to transactions carried out by appellant but it was general inquiry. On this basis, appellant has contended that during the course of Assessment Proceedings it had discharged its primary onus as cast under Section 68 of the Act and hence onus is then shifted to Revenue to rebut such evidence as submitted by appellant. The appellant has also relied upon decision of Hon'ble Jurisdictional ITAT, Ahmedabad in the case of D.J. Stock Broking Pvt. Ltd. Vs. ITO in ITA No. 313/Ahd/2017 dated 03/03/2020.

5.8. It is observed that AO has also made addition on the basis of ADI inquiry which reflects that above referred parties are providing accommodative entries hence genuineness and creditworthiness of

such entities are not proved. The AO has also relied upon statement of Mr. Jigar Trivedi before ADIT and his affidavit to hold that appellant has taken non-genuine loan from three parties referred supra. It is relevant to mention here that AO has not established any cash trail against above referred loan transactions. In present case, appellant has claimed before the AO that all the loans taken during the year is repaid in subsequent years being A.Y 2017-18 and AY 2018-19 which is not disputed by AO in assessment order. The Appellant has also submitted copy of assessment orders for both the assessment years passed u/s 143(3) of the Act wherein AO has accepted repayment of such loan as genuine transaction. It is observed that repayment of such loan is prior to initiation of reassessment proceedings in present case. It is relevant to refer to decisions of the Hon'ble ITAT and Gujarat High Court in the case of

- D.V. Properties Pvt. Ltd. Vs. CIT in ITA No 519/SRT/2023 dated 20/11/2023.
- ACIT Vs. Shah Asit Surendrabhai dated 02/08/2023 in ITA No 945/Ahd/2018 & others.
- Ganesh Ganpat Alim Vs ITO in ITA No 40/SRT/2022 dated 08/05/2023.
- M/s. White Willow Vishram Apartment Vs. ITO in ITA No 370/SRT/2022 vide order dated 14/08/2023.
- CIT Vs Ayachi Chandrashekhar Narsangji [2014] 42 taxmann.com 251 GUJ.
- CIT Vs Shri Mahavir Crimpers [2018] 95 taxmann.com 323.

5.9. It is observed that the Hon'ble Jurisdictional High Court of Gujarat, the Hon'ble Jurisdictional ITAT, Ahmedabad and the Hon'ble ITAT, Surat discussed herein above has consistently held that when loan taken by assessee is repaid through account payee cheques, loans received by assessee cannot be subject matter of addition u/s 68 of the Act. Considering binding decisions of courts as referred supra and fact that appellant has already repaid the loan in subsequent assessment years, addition made by the AO u/s.68 of the Act for Rs.20,42,59,300/- is deleted. Thus, this ground of appeal no. 3 is allowed."

9. Aggrieved against the common appellate order, the Revenue is in appeal before us in ITA No.859/Ahd/2024 relating to the Asst. Year 2015-16 raising the following Grounds of appeal:

1). Whether in the facts and on the circumstances of the case and in law, the Ld.CIT(A) is correct in deleting the addition made on account of unexplained cash credit u/s.68 r.w.s.115BBE of the Act, amounting to Rs.20,42,59,300/-, without considering the facts that, the assessee company received the amount of Rs.7,97,94,300/- from M/s. Biraj Manimpex Pvt. Ltd., Rs.6,03,60,500/- from M/s Boaston Tradelink Pvt. Ltd. and Rs.6,41,04,500/- from M/s. Vansh Glass Industries Pvt. Ltd., Which are engaged in providing accommodation entries."

10. We have heard rival submissions at length and perused the materials available on record including the case laws and Paper Books filed before us. It is seen from record the assessee filed the same evidences which were placed before the Ld AO and contended that it has discharged its onus as cast under section 68 of the Act [page nos. 11- 45 of the Paper Book], whereas the AO has not established as to how assessee's unaccounted money was routed back as unsecured loans. The statement of Mr. Jigar Trivedi relied upon by Ld AO is a general statement and he has nowhere stated that accommodation entries were provided to the assessee. Whereas the assessee had submitted bank account of such parties and sources of such loans were also explained [page nos.78 - 86 of the Paper Book] and there was neither cash deposit prior to giving cheque to the assessee nor AO has established any links of cash deposit in layering bank account and the loans received by the assessee. Therefore, the addition u/s.68 of the Act cannot be made merely on the ground that depositors have shown meagre income or addition was made based upon statement of entry provider. The

assessee also claimed that search action u/s.132 was also carried out in the case of assessee subsequent to passing of Assessment Order and no incriminating evidences suggesting any exchange of cash against loan were found. Thus the Ld AO did not bring any direct or circumstantial evidence on record to show that any cash was returned by the assessee to the lenders or that the loans were not genuine. Further none of the materials relied upon by Ld AO establish any nexus between the assessee and the alleged accommodation entry providers.

10.1. Another contention of the Ld AO and the reliance placed on DRI Inspector's report are concerned, the assessee claimed that merely because such parties are not found at the addresses given on MCA website/income tax returns, loans taken from such parties cannot be held to be non-genuine when there is no clinching evidences or nexus of cash against cheque received from such parties. The assessee also referred to affidavit of Mr. Jigar Trivedi wherein he has stated that for such transactions he has earned commission but nowhere stated that he is entry provider or provided accommodative loans to the assessee. The assessee also rebutted the contention of AO as stated in the appellate order:

(i) The AO observed that there is no opening or closing stock in above three companies which show that no trading activities have been carried out. The appellant has contended that summary of Profit & Loss Account of three companies are already reproduced in Assessment Order and there is inventory in AY 2015-16 and 2016-17 in which appellant has taken from three concerns. E.g. Vansh Glass Industries Pvt. Limited has shown inventory of Rs.4,55,929/-in AY 2015-16 with corresponding turnover of Rs.36,87,145/- and inventory

of Rs.11,23,986/- in AY 2016-17 with turnover of Rs. 13,27,86,544/-.

(ii) So far as contention of AO that no miscellaneous expenditure was debited in Profit & Loss Account, appellant has drawn attention to the fact that such companies have shown employee benefit expenses and other expenses in relevant Profit & Loss Account. E.g. in AY 2015-16 Vansh Glass Industries Pvt. Limited has shown turnover of Rs.36,87,145/- and shown employee benefit expenses for Rs. 1,88,910/- and administrative expenses of Rs.6,36,414/-,

(iii) So far as observation of AO that shareholder fund is paltry amount, appellant has claimed that Boston Tradelink Pvt. Limited has shown such amount at Rs.20.68 lacs, Biraj Impex Pvt. Limited at Rs. 1.97 crores and Vansh Glass Industries Pvt. Limited at Rs.10.95 lacs. The appellant has also claimed that such companies have shown substantial amount as long term secured and unsecured funds which are sufficient to give advances to various parties including appellant. The AO has nowhere proved that such loans are bogus and on the contrary, he has stated that such companies have shown long term borrowings/secured loans.

(iv) Merely because such companies have no fixed assets or TDS amount is more than tax liability, it does not mean that such companies are bogus and have provided accommodative entries to appellant.

10.2. The assessee also submitted that it had paid interest on such loans [page nos. 103 - 107 of the Paper Book] and necessary TDS has been deducted on such interest payment. The assessee further submitted that loans received during the year are repaid in subsequent Assessment Years i.e. upto 2018-19 and Assessment Orders for these years were passed u/s.143(3) of the Act wherein the Ld AO has accepted the repayment of such loans to be genuine. Therefore, the addition u/s.68 of the Act cannot be made merely on

the ground that depositors have shown meagre income or addition was made based upon statement of entry provider. The assessee also claimed that search action u/s.132 was also carried out in the case of assessee subsequent to passing of assessment orders and no incriminating evidences suggesting any exchange of cash against loan were found. These facts could not be contravened by the Revenue with any material evidences.

10.3. Further the Hon'ble Jurisdictional High Court in the case of Ayachi Chandrashekhar Narsangji [2014] 42 taxmann.com 251 (Gu) it was held as follows:

“Section 68, read with section 143, of the Income-tax Act, 1961 - Cash credit [Loans] -Assessment year 2006-07 - Assessing Officer framed assessment under section 143(3) wherein he made addition of Rs. 1.45 crore under section 68 on ground that loan taken from one 'IA' was not explained satisfactorily - On appeal, Commissioner (Appeals) was satisfied with respect to genuineness of transaction and creditworthiness of MA' and, therefore, deleted addition - It was found that total loan of Rs. 1.60 crore was advanced to assessee, out of which Rs.15 lakh was repaid - Therefore, an amount of Rs.1.45 crore remained outstanding to be paid to 'IA' - Balance loan amount was repaid by assessee in immediately next financial year - Whether when Department had accepted same, addition made by Assessing Officer was to be deleted - Held, yes [Para 6] [In favour of assessee]

10.4. In the case of CIT Vs. Shri Mahavir Crimpers, [2018] 95 taxmann.com 323 (Guj.) wherein it has been held as follows:

"5. We have heard both the parties. There is no dispute so far as identity of the creditor party M/s. Raj Capital & Finance Pvt. Ltd. is concerned. There is further no quarrel that the Assessing Officer does not dispute the fact that the assessee has not availed any cash loan from the said entity. His only case is that the assessee has not been able to prove source along with genuineness and creditworthiness of the above stated entity. It emanates from above extracted portion that

the assessee has filed all relevant details along with assessment records of the said entity explaining source of the loans to the above entity's balance sheet indicating sufficient reserves, surplus and share premium as followed by repayment in succeeding assessment year. Learned Departmental Representative fails to rebut CIT (A)'s conclusion that the assessee has been having regular loan transactions with the said entity. We notice in this backdrop that Hon'ble Jurisdictional high court's decision in DCIT v. Rohini Builders, (2002) 256 ITR 360 (Guj) upholding tribunal's conclusion deleting Section 68 addition in view of identical details; squarely applies here. So in their lordships' latter decision in CIT v. Ayachi Chandrashekhar Narsangji (2014) 42 taxmann.com 251 (Guj) confirming this tribunal's another decision reversing Section 68 addition wherein the department head accepted repayment of loan in subsequent year to be correct. We take into account all these facts and judicial precedents to affirm CIT(A)'s findings under challenge deleting the impugned addition. This first substantive ground is accordingly declined."

10.5. In the case of DCIT Vs. Rohini Builders, [2002] 256 ITR 360 (Guj.) wherein it has been held as follows:

"Once primary documents are given, onus shifts from assessee to revenue. In absence of anything contradictory brought on the table, it wouldn't be fair to confirm addition u/s 68 of the Act. Gujarat High Court went on to the extent of confirming that even if creditors didn't turn up on issue of summons, even then, the transaction can't be termed as bogus because preliminary documents have been put forth by the assessee and nothing contradictory is observed by the revenue. It was contended by revenue that "creditworthiness" continues to remain unproved because a few alleged parties were having a meagre income as against hefty deposits made. To this argument, the court held that assessee's duty is discharged once it shows the bank statement of the depositor. It is not assessee's look out to find out source to source, and get into the subject of how the creditor could afford that money. Source is what is required to be proved by the assessee, and the onus immediately gets discharged on submission of preliminary documents like a bank statement of the depositor. Also, if the revenue seriously felt that the source to source was bogus, in which case the resultant addition would fall in the hands of the depositors or investors u/s 69 of the Act. As far as assessee is concerned, he is required to prove that the alleged depositor or creditor, as the case be, had legitimate monies which were given to assessee through banking channel. How that monies were earned and whether or not the depositor is showing it in his personal return of income is beyond the scope of the assessee; if there are any doubts on the source to source then revenue can always approach the depositor."

10.6. In similar circumstances, the Hon'ble Jurisdictional High Court in the case of PCIT Vs. Ojas Tarmake (P.) Ltd. reported in [2023] 156 taxmann.com 75 held as follows:

"Where assessee showed unsecured loans received during relevant assessment year and AO made addition on ground that assessee failed to discharge onus of liability as laid down under section 68, **since amount of loan received by assessee was returned to loan party during year itself and all transactions were carried out through banking channels, impugned addition was to be deleted.**"

10.7. Similarly Jurisdictional High Court in the case of PCIT Vs. Ganesh Plantation Ltd. [2022] 134 taxmann.com 149 held as follows:

"Where Assessing Officer initiated reassessment on basis of Information that search in case of Venus Group showed that amount of Rs. 4 crores had been received by assessee from Builders of Venus Group through banking channel against corresponding payment of unaccounted cash by assessee to Builders, and considered this as accommodation entry and made addition under section 68, **since no live link/proximate nexus of alleged dubious transactions between searched person and assessee had been brought on record, said addition was to be deleted.**"

10.8. Respectfully following the above judicial precedents, we do not find any merit in the grounds raised by the Revenue. Further the order passed by the Ld. CIT(A) is a well-reasoned and detailed order which does not require any interference. **Therefore the appeal filed by the Revenue is dismissed.**

11. Revenue is in appeal before us in ITA No.860/Ahd/2024 relating to Asst. Year 2016-17 raising the following Grounds of appeal:

1). Whether in the facts and on the circumstances of the case and in law, the Ld.CIT(A) is correct in deleting the addition made on account of

unexplained cash credit u/s.68 r.w.s.115BBE of the Act, amounting to Rs.4,27,75,00/-, without considering the facts that the assessee company received the amount of Rs.1,45,75,000/- from M/s. Biraj Manimpex Pvt. Ltd., Rs.1,44,00,000/- from M/s Boston Tradelink Pvt. Ltd. and Rs.1,38,00,000/- from M/s. Vansh Glass Industries Pvt. Ltd., Which are engaged in providing accommodation entries.

2). Whether in the facts and on the circumstances of the case and in law, the Ld.CIT(A) is correct in deleting the disallowance of interest of Rs.13,60,880/- u/s. 36(1)(iii) of the Act.

11.1. Similar addition was deleted by Ld. CIT(A) in the case of loans taken from the same three parties for the earlier Asst. Year 2015-16. There is no change in the facts of the case but change in loan amounts. In this case also, the assessee repaid the loans which are not disputed by the Assessing Officer. Thus, the decision rendered by us in Paragraph No. 10 to 10.8 of this order are squarely applicable to the facts of the present case by *mutatis mutandis*. Therefore, the grounds raised by the Revenue are devoid of merits and liable to be dismissed.

12. In the result, **the appeals filed by the Revenue in ITA Nos. 859 & 860/Ahd/2024 are hereby dismissed.**

Order pronounced in the open court on 24-02-2026

**Sd/-**  
**(NARENDRA PRASAD SINHA)**  
**ACCOUNTANT MEMBER** *True Copy*

**Sd/-**  
**(T.R. SENTHIL KUMAR)**  
**JUDICIAL MEMBER**

**Ahmedabad :**  
**Dated 24/02/2026**

**आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-**

1. Assessee
2. Revenue

3. Concerned CIT
4. CIT (A)
5. DR, ITAT, Ahmedabad
6. Guard file.

By order/आदेश से,

उप/सहायक पंजीकार  
आयकर अपीलीय अधिकरण,  
अहमदाबाद