

**IN THE INCOME TAX APPELLATE TRIBUNAL  
(DELHI BENCH "SMC" : NEW DELHI)**

BEFORE SHRI MAHAVIR SINGH, HON'BLE VICE PRESIDENT

ITA No. 3852/Del/2025  
Asstt. Year : 2012-13

Promilla Mathur,  
D-55, Gulmohar Park,  
New Delhi  
**(PAN: AFKPM7548E)**  
**(Appellant)**

vs. CIT(A)/NFAC  
Delhi

**(Respondent)**

Appellant by : Shri Alok Mital, CA  
Respondent by : Shri Sangeet Bansal, Sr. DR.

Date of Hearing	06.08.2025
Date of Pronouncement	06.08.2025

**ORDER**

This appeal has been filed by the Assessee against the order dated 15.04.2025 passed by the NFAC, Delhi for the assessment year 2012-13 on the following ground:-

1. The order passed by the AI/CIT(A) is bad in law, wrong on facts and against the principles of natural justice.
2. That in view of the facts and circumstances of the case, the AO/CIT(A) has erred, both on facts and in law, in assessing / upholding the income of the assessee at Rs. 14,25,293/- as unexplained despite producing documents on record.

3. The AO/CIT(A) has grossly erred in making/upholding addition of Rs. 12,00,000/- u/s. 69 of the Act by treating investment in mutual funds as unexplained investments.
4. The AO/CIT(A) has grossly erred in making / upholding addition of Rs. 2,21,174/- u/s. 69C of the Act, by treating payment against credit card as unexplained expenditure.
5. The AO/CIT(A) has grossly erred in making / upholding addition of Rs. 4119/- u/s. 69A of the Act, by treating interest received as unexplained income.
6. That in view of the facts and circumstances of the case, the documents, explanations filed by the appellant, and the material available on record have not been properly considered and judicially interpreted by the Assessing Officer and the same has been wrongly ignored.
7. The AO has not given sufficient opportunity to the appellant to disclose the facts of the case therefore principles of natural justice not complied with.
8. That in view of the facts and circumstances of the case, the CIT(A) vide order dated 15.04.2025 has erred in confirming the additions / disallowances made by the Assessing Officer.

9. That in view of the facts and circumstance of the case, the AO has erred, both on facts and in law, in initiating penalty under section 271(1)(c) and 271F of the Act.

2. Brief facts of the case are that the assessee is an individual and did not file her return of income for the assessment year 2012-13 despite making payment of Rs. 2,21,174/- against credit card of Kotak Mahindra Bank, investing RS. 12,00,000/- in mutual funds of HSBC/JP Morgan & receiving interest of Rs. 4,119/- on which TDS had been made. On the basis of this information available with the AO, the case of the assessee was reopened u/s. 147 of the Act and notice was issued to the assessee u./s. 148 of the Act. However, the assessee neither filed any return income nor explained the nature and source of impugned transactions entered into during the year under consideration. Thus, the AO passed the assessment order u/s. 144 read with section 147 of the Act thereby making addition of transactions amounting to Rs. 14,25,293/- (Rs. 2,21,174/- + Rs. 12,00,000/- + Rs. 4119/-) being unexplained investment and undisclosed income of the assessee for the year under consideration. In appeal, Ld. CIT(A) dismissed the appeal of the assessee. Aggrieved, assessee filed the appeal before the Tribunal.

3. As regards, addition of Rs. 2,21,174/- against credit card of Kotak Mahindra Bank is concerned, I note that assessee claimed that she was an 80 years old widow who used to work in UNICEF and her main source of income was pensions received from UNICEF which was exempt fro tax. It was the further contention of the assessee that return of income for the year was not filed because the pension and

other miscellaneous interest income was not more than the basic exemption limit of income was not chargeable to tax. The Assessee filed the copy of identity card of UNICEF, bank account statement etc. as additional documents, which in turn sent to AO for verification and for submission of his comments. It was the further contention that payments of credit card is her from pension from the UNICEF and accumulated savings arising out of pension, which clearly establish the explanation relating to source of cash deposits through the cash sales during the demonetization period, therefore, it was prayed that addition of Rs. 2,21,174/- may be deleted. Per contra, Ld. DR relied upon the orders of the authorities below. I have heard the Ld. DR and perused the records. I have given my thoughtful consideration to the assessee's contention and Revenue's contention in support of the impugned addition. After carefully perusing the records, I find plausible contention in the assessee's view, as discussed above, that there is sufficient justification/explanation relating to source of payment of credit card which was made out of pension and accumulated interest in account therefore, the addition of Rs. 2,21,174/- deserve to be deleted. I hold and direct accordingly.

4. As regards, other additions of Rs. 12,00,000/- related to investment in mutual funds and unexplained investment is concerned, the assessee had never directly invested any amount in mutual fund schemes during the relevant financial year and assessee was not an actual investor especially when no return of benefit accrued to her from such investment; no physical or digital evidence of the

transaction has been produced linking the appellant's express consent; the entire transaction was purportedly carried out through the third parties without her knowledge or participation. In view of the aforesaid factual matrix, in my considered opinion, the matter needs to be remitted back to the file of the AO for fresh adjudication, after verification of the source and genuineness of the transactions. As regards, the addition of Rs. 4119/- is concerned, since the issue relating to addition of Rs. 12,00,000/- has already been sent back to the file of the AO for verification, as aforesaid, thus, the issue relating to interest income of Rs. 4119/- also required to be sent back to the file of the AO for fresh adjudication. Accordingly, I hold and direct accordingly.

5. The instant assessee's appeal is allowed for statistical purposes.

Order pronounced in the Open Court on 06.08.2025.

Sd/-  
**(MAHAVIR SINGH)**  
**VICE PRESIDENT**

**Date: 18.08.2025**

*SRBhatnagar*

**Copy forwarded to: -**

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

Assistant Registrar, ITAT,  
Delhi Bench