

IN THE INCOME TAX APPELLATE TRIBUNAL
GUWAHATI BENCH, GUWAHATI
(VIRTUAL HEARING AT KOLKATA)

SHRI MANOMOHAN DAS, JUDICIAL MEMBER
SHRI SANJAY AWASTHI, ACCOUNTANT MEMBER

I.T.A. No. 205/GTY/2025
Assessment Year: 2016-17

Lourembam Victor Singh,

C/o Pakhangba Motors Yaiskul
Chingakham Leirak, Imphal H.O.,
Babupara, Imphal West – 795001
[PAN: AWIPS6865K]

.....**Appellant**

vs.

ACIT, Circle, Imphal,

Central Jail Rd, Old Lambulane,
Sanakhwa Yaima Kollup,
Imphal - 795001

..... **Respondent**

Appearances by:

Assessee represented by : Tejpal Jain, AR

Department represented by : Kausik Ray, JCIT

Date of concluding the hearing : 04.11.2025

Date of pronouncing the order : 17.11.2025

ORDER

PER SANJAY AWASTHI, ACCOUNTANT MEMBER:

1. The present appeal arises from the order u/s 250 of the Income Tax Act, 1961 (hereafter “the Act”), dated 01.07.2025, passed by the Ld. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi [hereafter “the Ld. CIT(A)].

1.1 In this case, the Ld. AO made an addition of Rs. 6,07,41,700/- u/s 68 of the Act. This is a consolidated amount comprising of two separate sets of figures as under:

- (i) Cash deposited in some savings bank account of Rs. 1,88,82,000/-; and
- (ii) Cash deposited in some savings bank account of Rs. 4,18,59,700/-.

1.2 Aggrieved with this action of the Ld. AO, the assessee approached the Ld. CIT(A), where the assessee could succeed with respect to the amount of Rs. 4,18,59,700/- but could not succeed regarding the remaining amount of Rs. 1,88,82,000/-. The findings in this regard of the Ld. CIT(A) deserves to be extracted as under:

“8.3 Confirmation of Addition of Rs. 1,88,82,000/-: However, regarding the addition of Rs. 1,88,82,000/-, I find that the assessee has failed to discharge the burden of proof required under section 68 of the Act. Despite having adequate opportunity during the appellate proceedings to substantiate this specific deposit, the assessee could not provide documentary evidence or a credible explanation for this amount. When an assessee fails to provide such explanation, the provision mandates that the sum be charged to income tax as income of the assessee. In the present case, while the assessee has successfully explained other cash deposits through comprehensive documentation, the same standard of proof has not been met for this particular amount of Rs. 1,88,82,000/-. Therefore, applying the well-established legal principle that unexplained cash credits are liable to be added to income, this addition is hereby confirmed.

1.3 Further aggrieved, the assessee has approached the ITAT with the following grounds:

“1. For that the order of the Commissioner of Income Tax (Appeals) is contrary to law, facts and circumstances of the case and at any rate against the principles of equity, natural justice and fair play.

2. For that the Commissioner of Income Tax (Appeals) failed to appreciate that the addition to the extent of Rs.1,88,82,000/- is unwarranted in the facts and circumstances of the case.

3. For that the Commissioner of Income Tax (Appeals) erred in confirming the addition made by Assessing Officer, NFAC without ascertaining the facts.

4. For that the Commissioner of Income Tax (Appeals) failed to appreciate the fact that the appellant has provided all the details and further there is only one savings account, details of the same were already available.

5. For that the Commissioner of Income Tax (Appeals) has confirmed the addition

of Rs.1,88,82,000/-without any basis and only relying upon the Impugned assessment order.

6. For that the Commissioner of Income Tax (Appeals) has made grave error by considering the impugned assessment order as sacrosanct and without verifying the source of information for such addition.”

2. Before us, the Ld. AR stated that the impugned amount does not belong to the assessee and in spite of the fact that the Ld. AO did not have any specific detail whatsoever about the ownership or even the presence of this amount in any bank account of the assessee, the Ld. AO persisted in adding this amount to the income of the assessee. The Ld. AR further submitted that in spite of denial of ownership by the assessee of any amount resembling the impugned figure, even the Ld. CIT(A) has not given any weightage to the contention of the assessee. It was argued that the even when the said figure did not belong to the assessee, the assessee was, absurdly, persistently directed to prove that the figure does not belong to him. The Ld. AR also placed before us an affidavit dated 22.07.2025. It was mentioned by the Ld. AR that this affidavit was prepared after the date of the impugned order.

2.1 The Ld. DR relied on the orders of authorities below.

3. We have carefully considered the rival submissions and have gone through the documents before us. It is a settled position that the Ld. AO needs to lead evidence about any incriminating information that may be in his possession. We find that in this case, the assessee has been required to prove something that does not belong to him. This is certainly an absurd situation where instead of leading evidence which may be available against the assessee, both the authorities below are asking him to prove that such amount is not his. While the affidavit filed before us, through which the assessee has denied ownership of the impugned amount, is prepared after the impugned order but even if we disregard the same it would still be a strong case in favour of the assessee whereby the department has not been

able to lead any evidence that the impugned amount belongs or has any connection with the assessee. Accordingly, we deem it fit to direct the deletion of this impugned amount altogether.

5. In result, appeal of the assessee is allowed.

Order pronounced on 17.11.2025

Sd/-
[Manomohan Das]
Judicial Member

Sd/-
[Sanjay Awasthi]
Accountant Member

Dated: 17.11.2025
AK, Sr. PS

Copy of the order forwarded to:

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

//True copy//

By order

Assistant Registrar, Kolkata Benches