

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'E', NEW DELHI**

**Before Sh. Satbeer Singh Godara, Judicial Member
&
Sh. Amitabh Shukla, Accountant Member**

ITA No. 5296/Del/2025 : Asstt. Year : 2022-23

Sh. Chandra Prakash Jain, 308, Augusta Town Homes, Sector- 128, JP Wishtown Noida, Maharishi Nagar, Sultanpur, Gautam Buddha Nagar, Uttar Pradesh-201304	Vs	DCIT, Central Circle-20, New Delhi
(APPELLANT)		(RESPONDENT)
PAN No. AAKPJ0890M		

**Assessee by : Sh. Ved Jain, Adv.,
Sh. Pawan Garg, CA &
Ms. Ishika Dua, CA
Revenue by : Ms. Amish S. Gupt, CIT-DR**

Date of Hearing: 15.01.2026	Date of Pronouncement: 15.01.2026
------------------------------------	--

ORDER

Per Satbeer Singh Godara, Judicial Member:

This assessee's appeal for Assessment Year 2022-23, arises against the CIT(A)-27, New Delhi's DIN & order No. ITBA/APL/M/250/2024-25/1075064329(1) dated 26.03.2025, in proceedings u/s 143(3) of the Income Tax Act, 1961 (in short "the Act").

2. Heard both the parties at length. Case file perused.
3. It emerges at the outset with the able assistance coming from both the parties that the CIT(A) has upheld the assessment findings dated 12.03.2024 treating the assessee's

unexplained money representing jewellery of Rs.37,47,492/-;

reading as under:

"4. On perusal of the appellate record and submission filed it is noted that the addition to the total income of the assessee is on account of single issue of jewellery found during the course of search proceedings and it is also pertinent to mention that the appellant has also submitted its submission only with regard to addition to its income on account of unexplained money being seized jewellery. Hence, all the grounds of appeal are hereby adjudicated altogether.

4.1 The assessee is an individual person, he filed his return of income for A.Y. 2022- 23 on 30.07.2022 declaring income of Rs. 43,37,120/-.

4.2 A search and seizure operation u/s 132/133A of the IT Act, 1961 was conducted on the assessee's premises on 30.09.2021. During the search operation at residence premise property bearing No "307-308 Tower-4, Augusta Town Homes, Jaypee Wish Town, Sector - 128, Gautam Budh Nagar, Noida, UP-201301" 6 locker keys belonging to the assessee and his family were found. Jewellery of 1712.624 gms (Rs. 80,87,936/-) were found in Two Lockers and Jewellery of 793 gms (Rs. 37,47,492/-) were seized.

4.3 So, the Ld. AO issued notice to the assessee to provide the documentary evidence in support of such jewellery and explain the source of such investment. In response of the same the assessee filed his reply on dated 21.02.2024, which was considered but not found tenable by Ld. AO in view of statement given by Smt. Urmila Jain and Ms. Abha Agarwal during the search proceedings.

4.4 As the assessee failed to provide any documentary evidences in support of his claim before the Ld, AO. So, the Ld. AO made the addition of Rs. 37,47,492 u/s 69A of the IT Act, 1961 and added to the total income of the assessee.

4.5 Further during the appellate proceedings appellant has submitted

The assessing officer in an arbitrary manner made the addition of jewellery found in the locker, on the premise that the valuation report was 30 years old. Although the same makes the case of the appellant strong that the jewellery it was a fact on record that

jewellery in the locker pertained to very old period. The assessing officer's has not given any specific reason for making the addition. During the course of assessment proceedings the assessing officer after considering the valuation report submitted by the appellant dated 31-03-1995. had specifically stated the same cannot be trusted as the same didn't match with the valuation reports made during the course of search. Even the remarks of the assessing officer that the jewellery didn't have bills, I would like to submit that as jewellery belonged to an even older period and as bills were not available with the appellant, the appellant choose the refer the jewellery for valuation on 31/03/1995. So, this cannot be the basis for drawing adverse inference upon the appellant.

4.6 Considering the reply filed by the appellant and AO it is evident that jewellery found during the course of search proceedings does not have any bills. Further the veracity of the valuation report is also questionable as it is 30 years old, there is no stamp neither it is signed by any witness not even by the party itself.

Merely a statement by the appellant that the jewellery found during the search is old, so he does not have bills is not acceptable. Further it is also pertinent to mention that the statement of Smt Urmila Jain, Smt Abha Agarwal and Shri Chandra Prakash Jain are not in tune with each other because Smt Urmila Jain & Smt Abha Agarwal has accepted that some of the jewellery was received during their respective marriages and some was purchased later which includes jewellery of male member also even appellant has failed justify the claims of the Smt Urmila Jain & Smt Abha Agarwal and failed to establish that the which jewellery was received at the time of marriage and which was purchased later.

4.7 In view of the above the appellant has failed to explain and justify the jewellery seized during the search proceedings. Appellant failed to produce any documentary evidence to substantiate its claims. Hence, I am of the considered opinion that AO has rightly made the addition amounting to Rs.37,47,492/- u/s 69A of the Act, being unexplained money in the form of jewellery.

5. In the result the appeal of the assessee is hereby "dismissed".

4. That being the case, the assessee very fairly does not dispute the impugned jewellery items found/seized during the course of search on 30.09.2021. We make it clear that his only case is that he had sought to explain the impugned jewellery as belonging to himself as well as his married daughter all along which has been wrongly rejected in both the lower proceedings.

5. Learned CIT-DR could hardly dispute that keeping in mind family traditions, possibility of a married daughters keeping her jewellery at their parental place(s) or in possession of their parents or keeping a common locker in such an instance could not be altogether ruled out as well. The facts also remains that the assessee could not plead and prove a clear cut quantification of his family's and daughter's jewellery items to the entire satisfaction of both the learned lower authorities. Be that as it may, we are of the considered view in these peculiar backdrop that a lump sum addition of Rs.4,00,000/- only in the assessee's hands shall meet the ends of justice with a rider that the same shall not be treated as a precedent. Necessary computation shall follow as per law. The assessee gets relief of Rs.33,47,492/- in other words.

6. No other ground or argument has been pressed before us.

7. This assessee's appeal is partly allowed.

Order Pronounced in the Open Court on 15/01/2026.

Sd/-

(Amitabh Shukla)
Accountant Member

Dated: 15/01/2026

Subodh Kumar, Sr. PS

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-

(Satbeer Singh Godara)
Judicial Member

ASSISTANT REGISTRAR