

**IN THE INCOME TAX APPELLATE TRIBUNAL  
"G" BENCH, MUMBAI  
BEFORE SHRI SAKTIJIT DEY, VICE PRESIDENT AND  
SHRI JAGADISH, ACCOUNTANT MEMBER**

**I.T.A. No. 5827/Mum/2025  
ASSESSMENT YEAR: 2017-18**

**I.T.A. No. 5828/Mum/2025  
ASSESSMENT YEAR: 2018-19**

**I.T.A. No. 5829/Mum/2025  
ASSESSMENT YEAR: 2019-20**

**I.T.A. No. 5830/Mum/2025  
ASSESSMENT YEAR: 2020-21**

*(Physical Hearing)*

Ganpat Harishchandra Purohit Flat No.36, B Wing, 3rd Floor, Kavita Co-op Housing Society, Borivali East, Mumbai-400066.  PAN: [AADPP9980D]	Vs.	DCIT Central Circle 4(2), Mumbai-400051.
(Appellant)		(Respondent)

Appellant by	Shri Bharat Kumar- CA
Respondent by	Shri. Arun Kanti Datta- CIT DR

Date of Hearing	19.01.2026
Date of Pronouncement	22.01.2026

**ORDER**

**Per: SHRI JAGADISH, A.M.:**

1. These appeals filed by the assessee are directed against a common order passed by the Commissioner of Income Tax (Appeals), Mumbai ["CIT(A)"] dated 01.09.2025, arising out of assessments framed by the Assessing Officer ("AO") under section 153C of the Income-tax Act, 1961 ("the Act") for the assessment years 2017-18 to 2020-21.
2. Brief facts of the case are that the assessee purchased a shop on 31.03.2021 situated on the 1st floor of Platinum Mall, constructed by Rubberwala Housing Infrastructure Ltd.

The agreement value of the property was stated at Rs.40,40,100/-, whereas the stamp valuation was Rs.28,04,396/-.A search and seizure action under section 132 was conducted in the Rubberwala Group on 19.03.2021. During the course of search at the premises of Shri Imran Ansari, an employee of the group, an Excel sheet was stated to have been seized and his statement was recorded.

Based on the said material, the AO observed that the assessee's name figured in the Excel sheet and that the assessee allegedly paid "on-money" as under:-

- A.Y. 2017-18 : Rs. 1,00,000/-
- A.Y. 2018-19 : Rs. 18,00,000/-
- A.Y. 2019-20 : Rs. 10,00,000/-
- A.Y. 2020-21 : Rs. 2,95,000/-

On the basis of the statement of Shri Imran Ansari and in the absence of any reply to the show cause notice, the AO made the additions in the respective years. The CIT(A) confirmed the additions. Aggrieved, the assessee is in appeal before the Tribunal.

3. The effective grievance of the assessee is against confirmation of the additions towards alleged "on-money" in respect of purchase of shop, based solely on documents and statements found during the course of search in the Rubberwala Group, in proceedings initiated under section 153C.

4. The learned Authorised Representative ("AR") submitted that the assessee has not paid any on-money. It was contended that the purchase agreement for the shop was executed on 31.03.2021, whereas the alleged on-money payments have been attributed to earlier years, which is factually inconsistent. The learned AR further submitted that the AO made the additions only on the basis of the statement of Shri Imran Ansari, without providing the assessee with a copy of the seized Excel sheet wherein the assessee's name allegedly appears. It was also pointed out that even in the assessment order, the AO has neither reproduced the relevant entries nor provided any date-wise details or linkage with the assessee.

The learned AR relied upon several orders of the coordinate benches of the Tribunal, in which additions made on the basis of alleged Excel sheets and statements recorded in the Rubberwala Group search were deleted, particularly due to lack of independent corroboration and denial of opportunity of cross-examination. The following decisions were relied upon:

- **Praveen Khetaram Purohit** (ITA Nos.4742 to 4744/Mum/2025)
- **Akhraj Pukhraj Chopra** (ITA Nos.5553 & 5555/Mum/2025)
- **Bhavana Vikram Jain** (ITA Nos.6363 to 6365/Mum/2025)
- **Bharat Solanki** (ITA Nos.6523 to 6525/Mum/2025)
- **Manish Kashiprasad Seksaria** (ITA Nos.5499 & 5500/Mum/2025)
- **Mishra Ganesha Ram** (ITA No.5556/Mum/2025)
- **Manish Mali & Others** (ITA Nos.6568 to 6571/Mum/2025)
- **Jayantilal Purohit** (ITA Nos.5682 & 5683/Mum/2025)
- **Kulsum Aaqib Memon** (ITA No.6540/Mum/2025)

Accordingly, it was prayed that the additions be deleted.

5. The learned Departmental Representative (“DR”) relied on the orders of the AO and CIT(A). It was submitted that the proceedings under section 153C were validly initiated based on incriminating material found in search action in the case of Rubberwala Group. It was argued that the statement of Shri Imran Ansari and the seized Excel sheet constitute evidence of receipt of on-money and therefore the addition was justified.

6. We have heard both the parties and perused the material available on record. The AO has initiated proceedings under section 153C and made additions of alleged “on-money” in all four assessment years, based primarily on the statement of Shri Imran Ansari, stated to be an employee of the Rubberwala Group, and the alleged Excel sheet. It is an undisputed fact that the AO did not provide a copy of the Excel sheet to the assessee. Further, the AO has neither reproduced the entries nor discussed the date-wise details in the assessment order. The additions have essentially been made on the basis of a general statement of Shri

Imran Ansari explaining the modus operandi, without specifically identifying the assessee as having made the alleged payments through cogent, independent evidence.

We note that the Tribunal in a series of decisions arising out of the Rubberwala Group search has consistently held that an addition cannot be sustained merely on the basis of third-party statement and uncorroborated Excel data, particularly when:

- (i) the assessee denies the payment,
- (ii) no independent corroborative evidence is brought on record, and
- (iii) the opportunity of cross-examination is not provided.

The coordinate bench decision in Praveen Khetaram Purohit (supra) has examined this issue in detail and held that in absence of corroboration and in absence of due confrontation, such additions cannot be sustained as under :

*8. We have heard the arguments for both the parties and have also perused the material placed on record, judgements cited before me and the orders passed by the revenue authorities. From the records, we noticed that the assessment was completed u/s 153C on account of the fact that a search and seizure action was conducted on 17.03.2021 on Rubberwala group. In search action, premises of M/s. Rubberwala Housing & Infrastructure Ltd (RHIL), its promoter and director-Shri Tabrez Shaikh, and a key employee of Rubberwala group Shri Imran Ansari, who was handling sale & registration of shops in "Platinum Mall" project of RHIL were covered. Among others, statement of these persons were recorded on oath on various dates during the course of search as well as post search proceedings. The employee of Rubberwala group confirmed that the cash has been collected from the respective buyers of the shops. However, on the other hand, the assessee denied payment of cash. We noticed that during the search a pendrive with the details of cash transactions with respect to Rubberwala group was found, which was confirmed through statement of Shri Imran Ansari recorded U/s 132(4) of the Act and on this basis, 153C order was framed and the same was upheld by the Ld.CIT(A).*

*9. We noticed that Ld. CIT(A) although referred the decision of the coordinate bench in case of Rajesh Jain on identical issue but misplace its reliance. After having gone through the basic facts of Rajesh Jain case which is mentioned by Ld. CIT(A) in its order and the same is reproduced as under:*

*5.1. On 17.03.2021, the residential premise of the assessee was also covered by way of search action u/s 132 of the IT Act, 1961. Search action was also initiated on Rubberwala group on 17.03.2021. In such action along with premises (offices/sites/others) of Rubberwala group entities, residences of various key persons including its promoter and director Shri Tabrez Shaikh, and Shri Imran Ansari - a key employee of Rubberwala group handling sale & registration of shops in "Platinum Mall" project of RHIL were covered under section 132 of the Act. Among others, statement of these persons were recorded on oath on various dates during search as well as post search proceedings.*

5.2. During the action on Rubberwala Group, among other, residence (at 109, 2nd Floor, Prabhat Sadan, 109/120 RBC Marg, Agripada, Mumbai Central - 400011) of Shri ImranAshfaque Ansari was covered under section 132 of the I.T. Act, 1961. His statement was also recorded on oath at his residence. Vide question no. 11 of the said statement dt. 17.03.2021, Shri Imran Ansari was questioned about his roles and responsibilities in M/s. Rubberwala Housing & Infrastructure Ltd (RHIL). In response, Shri Imran Ansari stated that he has been working with Rubberwala group of entities since 2010 and inter-alia handling sale and registration of the shops in "PlatinumMall" Project of M/s. Rubberwala Housing & Infrastructure Ltd (RHIL).

5.3. Shri Imran Ansari in his response to question no. 13 & 14 of the said statement explained the complete procedure of the of the sale of shops in the "Platinum Mall" project. While explaining further about the price structure of the shops, Shri Imran Ansari in response to Q. no. 15 categorically revealed that the total price of the shops contains cash component and banking channel component, and these components are decided by Shri Tabrez Shaikh (Director/CMD of RHIL and Promoter of Rubberwala Group). On probing further, Shri Imran Ansari, in response to Q. no. 16, stated that these prices, as decided by Shri Tabrez Shaikh, are communicated to him orally. He also revealed in response to Q. no. 17 of the said statement that data related to shops is maintained by him in excel sheets. Corroborating to the fact that data is being maintained by Shri Imran Ansari in excel sheet, during search proceedings at the residence of Shri Imran Ansari, a 16GB Pendrive was retrieved from his possession. The said pen drive is accepted by Shri Imran Ansari belonging to him and he also accepted that this pen drive is containing data maintained for the sale of shops in Platinum Mall. Shri Imran Ansari explained that this data is prepared by him. Shri Imran Ansari's this acceptance also corroborates with the fact that the said data was retrieved from the residential premises of Shri Imran Ansari and not from any office of Rubberwala Group.

5.4. It was ascertained that the data is being maintained by Shri Imran Ansari in an excel file namely "consolidated 1 2 3 balance". In the said file sheets with different name viz "Master", "Payment" and "Cheque" etc. are found to be maintained. It is also found out that in respect of the sale of shops in the said project, comprehensive data is being maintained in these excel sheets, and in this regard, it is important to mention that the sheet "Master" is so elaborate that the data in the said sheet is spread across 98 columns. Shri Imran Ansari has explained all 98 columns of "Master" sheet and such explanation of each and every column by Shri Imran Ansari further support the fact that he was maintaining the said data and therefore could explain all these columns with relevance and purpose. Shri Imran Ansari in response to Question no. 22, 23 and 24, has explained in detail the meaning and relevant of each and every column. In column B, against the name of 'Raj Bhai Jain'/'Raj BhaiJain(I.S)', total 27 shops have been entered. Further, these 27 shops are stated (by Shri Imran Ansari) to be booked by the assessee only. Also, ShriTabrez Ahmed Shaikh, Director and Promoter of the RHIL, while deposing statement during post search proceedings on 19.08.2021 categorically confirmed the admission made by Shri Imran Ansari, and has confirmed the data of the said excel to be true byconfirming facts stated by Shri Imran Ansari in his statement. It is also important to note here that the phone number mentioned above i.e., 9892196071 against all 27 shops, is of Shri Rajesh Jain.

5.5. Regarding the frequency of updating the said excel file/sheet, Shri Imran Ansari, in response to Q. no. 25, stated that this sheet is updated on the same day when a payment is received either in cash or cheque (or banking channel). The column A to AR of the sheet "Master" are stated to be updated till 16.03.2021 and other sheets of the said excel file are also stated to be updated till 16.03.2021. It is revealed in the above response that he takes the parties to ShriAbrar Ahmed (who during the search established to be a person

handing cash for the Rubberwala Group). ShriAbrar Ahmed, after receiving the cash confirms to Shri Imran Ansari who update the diaries and the said excel file. Such detailed mechanism in place further upholds the facts stated by Shri Imran Ansari on oath. It is also important to note here that Shri Imran Ansari also used to call and follow up with the buyers on the numbers saved in his data. As aforementioned, the number, for the shops for which the assessee has paid the cash component, is mentioned as 9892196071, which is the assessee's own number. Thus, it makes clear that for the cash payment part, for all the above mentioned 27 shops, Shri Imran Ansari used to follow up with Shri Rajesh Jain/assessee only.....

*10. We also noticed that the decision of the Coordinate Bench of ITAT in the case of Rajesh Jain in ITA No. 3842& 3841 & ITA No. 3954,3952,3951 and 3950/Mum/2023 on the identical facts is reproduced herein below:*

*12. The appeal filed by the revenue for AY 2020-21 is with regard to the relief granted by Ld CIT(A) holding that the cash payments relating to the shops purchased by others cannot be assessed in the hands of the assessee. The decision rendered by us in AY 2018-19 and 2019-20 on an identical issue on merits in the earlier paragraphs would apply in this year also. Following the same, we affirm the order passed by LdCIT(A) on this issue.*

*13. In the appeal filed by the assessee, the addition of alleged cash payment of Rs.18,64,200/- in respect of purchase of shop confirmed by Ld CIT(A) is being assailed.*

*14. We noticed earlier that the assessee had purchased a shop in the commercial premises developed by Rubberwala group. During the course of search conducted in their hands, incriminating documents containing details of cash collected on sale of various shops were found. The employee of Rubberwala group confirmed that the cash has been collected from the buyers of shops. However, the assessee denied payment of cash. However, the AO relied upon the materials found in the case of Rubberwala group and accordingly made addition of Rs.18,64,200/- in AY 2020-21. The LdCIT(A) also confirmed the same.*

*15. The Id A.R submitted that the addition was made on the basis of third party statement and documents found from the premises of third party. As per the deposition made by the employee of Rubberwala group, the buyers were given a diary, in which, the details of cash received were acknowledged. The Ld A.R submitted the search officials did not find any such diary with the assessee during the course of search operation conducted in his hands. Hence the statement so given by the employee stands disproved. He submitted that the AO has simply relied upon third party statement without bringing any independent material to support the same. The AO also did not provide the opportunity of cross examination despite being asked by the assessee. Accordingly, by placing reliance on various case laws, the Ld A.R submitted that this addition should be deleted.*

*16. We heard Ld D.R and perused the record. We notice that the AO has made the addition on the basis of evidence found in the premises of third party and also on the basis of deposition made by the employee of the third party. No corroborative material was brought on record to support the statement so given, which is mandatory when the assessee denies any such payment. Further, the AO also did not provide opportunity of cross examination to the assessee, even after the said request was made by the assessee. Under these set of facts, we are of the view that the impugned addition of Rs.18,64,200/- cannot be sustained. In this regard, we may take support from the decision rendered by SMC bench of Mumbai Tribunal in the case of Naren Premchang Nagda vs. ITO (IT Appeal No.3265/Mum/2015 dated 08-07-2016), wherein an identical issue was decided as under:-*

*17. We also notice that the AO did not provide opportunity to cross examine the persons from Rubberwala group, on whose statements the AO had placed reliance upon. The Hon<sup>ble</sup> Supreme Court has held in the case of Andaman Timber Industries vs. Commissioner of Central Excise (2015)(62 taxmann.com 3)(SC) that not providing opportunity to cross examine is a serious flaw and it will make the order nullity, as it amounts to violation of principle of natural justice. We are of the view that the above said decision of Hon<sup>ble</sup> Supreme Court shall apply to the facts of the present case.*

Similarly, in Rajesh Jain and other connected matters, it was held that when the AO relies upon third-party statement and material, denial of cross-examination and lack of supporting evidence renders the addition unsustainable.

In the present case also, there is no independent material brought on record to establish that the assessee has actually paid on-money. Further, the assessee was not even confronted with the Excel sheet or the exact entries allegedly pertaining to him. Respectfully following the consistent view taken by the coordinate benches of the Tribunal on identical facts, the additions made by the AO and confirmed by the CIT(A) cannot be sustained and are hereby deleted.

8. In the result, all the appeals filed by the assessee are **allowed**.

*Order pronounced on 22<sup>nd</sup> day of January, 2026 at Mumbai.*

**Sd/-**

**(SAKTIJIT DEY)  
VICE PRESIDENT**

**Sd/-**

**(JAGADISH)  
ACCOUNTANT MEMBER**

Mumbai, Dated: 22/01/2026.

Ashwani Rao

Sr. Private Secretary

**Copy of the order forwarded to:**

1. Appellant
2. Respondent
3. The CIT
4. The CIT (Appeals)
5. The DR, I.T.A.T.

By order

(Assistant Registrar)  
ITAT, Mumbai