

IN THE INCOME TAX APPELLATE TRIBUNAL
NAGPUR “SMC” BENCH : NAGPUR
(Through virtual)
BEFORE DR. MANISH BORAD, ACCOUNTANT MEMBER

I.T.A.No.667/NAG/2025
(Assessment Year : 2013-2014)

Jyoti Prakash Patil, 4-A, Omkar Apartment, Opp. G.G. Complex, Seminary Hills, S.O. Nagpur (Urban), Nagpur-440006. PAN : ACLPP 6181 E (Appellant)	vs.	ITO, Nagpur. (Respondent)
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For Assessee :	Shri C.N. Chandak, AR
For Revenue :	Shri Surjit Kumar Saha, Sr.DR

Date of Hearing :	03.02.2026
Date of Pronouncement :	10.02.2026

ORDER

This appeal at the instance of the assessee is directed against the order of Ld. Commissioner of Income Tax (Appeals)/NFAC, Delhi [“CIT(A)”], dated 13/08/2025 passed u/s. 250 of the Income Tax Act, 1961 (for short, 'the Act') which is arising out of assessment order dated 19.03.2022 passed u/s. 147 r.w.s. 144 r.w.s. 144B of the Act for the Assessment Year 2013-14 (A.Y.)

2. Assessee has raised the following grounds of appeal:-

“1 That the learned Assessing Officer erred in reopening the case u/s 148 of Income Tax act, 1961 on assumption

basis without drilling down to genuineness and detailed information of the in-question Transaction of Rs. 2450000/-. Whether the AO is correct to reopen the case and issue notice u/s 148 of the Act?

- 2 *That whether learned AO failing to appreciate the facts and circumstances of the case in holding the deposit in question wrongfully as unexplained cash credit and ignoring creditworthiness, cumulative amount of fund, documents and explanation provided by Appellate Assessee is in interest of natural justice?*
- 3 *That whether learned A.O. is justified in adding amount of Rs. 2450000/ u/s 68 of the Act, 1961 as unexplained cash credit/ deposit without verifying information received in question is correct or not?*
- 4 *That whether A. O. assessed the income without giving the reasonable opportunity to assessee is in the interest of natural justice?*

3. Brief facts of the case are that assessee is an individual and income of ₹ 13,45,300/- declared in the return of income for A.Y. 2013-14 filed on 17.06.2013. Based on the information about the alleged cash deposits made by the assessee with M/s. Wasankar Wealth Management Ltd., re-assessment proceedings were initiated serving valid notice u/s. 148 of the Act. After issuance of other statutory notices, in the course of re-assessment proceedings, assessee made partial submissions denying that she has not made any cash payment to M/s. Wasankar Wealth Management Ltd., however, Ld.AO was not satisfied and made addition of ₹24,50,000/- u/s. 68 of the Act and assessed the income at ₹37,95,300/-

4. Aggrieved with the said addition, assessee preferred appeal before the Ld.CIT(A). In spite of furnishing relevant

details to prove that the alleged payment has been made through banking channel, Ld.CIT(A) did not grant any relief. Now assessee is in appeal before this Tribunal.

5. Learned counsel for the assessee submitted that assessee has not made payment in cash to M/s. Wasankar Wealth Management Ltd. and the total sum of ₹ 24,50,000/- has been made through banking channel and the alleged sum has been paid by the assessee from her salary income as well as salary income of her spouse and also from sale of equity shares. He submitted that the basis for making the impugned addition is unfounded because no cash payment has been made.

6. On the other hand, Ld. Departmental Representative (DR) supported the orders of Ld. CIT(A) as well as Ld.AO.

7. I have heard rival contentions and perused the records placed before me. Admittedly, a sum of ₹ 24,50,000/- has been paid by the assessee to M/s. Wasankar Wealth Management Ltd. The only bone of contention is that whether the said sum has been paid in cash or through cheque. Ld.AO has made the impugned addition treating it to be unexplained cash deposit whereas assessee claims that no cash has been given and that the alleged sum has been paid through banking channel. I find that assessee has furnished the bank statement before the lower authorities and also the following

information about the details of cheques issued, totaling to ₹24,50,000:-

- a. Chq No.697079 dt. 09.05.2008 SBI Koradi ₹ 80,000 from spouse salary income
- b. Chq No.800543 dt. 09.05.2008 Andhra Bank ₹40,000 from salary income
- c. Chq No.422428 dt. 04.05.2010 BOM ₹1,00,000 from salary income
- d. Chq No.307344 dt. 05.07.2011 BOM ₹5,00,000 from salary income
- e. Chq No.436596 dt. 12.10.2011 HDFC Bank ₹5,00,000 from sale of share
- f. Chq No.809152 dt. 15.05.2012 BOM ₹7,00,000 from spouse salary income
- g. Chq No.74996 dt. 25.03.2013 BDFC ₹5,00,000 from sale of share.

8. Referring to the above details, it is claimed that payments have been made either from the declared bank account of the assessee in which the regular salary income is received or from the salary account of his wife as well as from considerations received from sale of equity shares. All these details stand filed before the lower authorities. Ld.AO rather than verifying these details has merely held that the alleged the payment have been made in cash. It is also interesting to note that on one hand Ld.AO is alleging that assessee has made cash deposit with M/s. Wasankar Wealth Management Ltd., on the other hand, Ld.AO has invoked the provisions of section 68 which is applicable to unexplained cash credits. It is not a case of any unsecured loans received by the assessee or any other credit received by the assessee, but in the given case, the assessee has made payment/ investment to M/s. Wasankar

Wealth Management Ltd. Even otherwise, the basis of making the impugned addition is unexplained cash deposit which in the light of the submissions of the learned counsel for the assessee is unfounded and untenable. Therefore, since there is no cash deposit/cash payment made by the assessee to M/s. Wasankar Wealth Management Ltd. and further Revenue authorities failed to controvert the veracity of the submissions of the assessee of having made the alleged payment through banking channel, I fail to find any merit in the impugned addition made by the Assessing Officer. Accordingly, finding of Ld.CIT(A) is reversed and the addition of ₹ 24,50,000/- is deleted and the grounds of appeal raised by the assessee are allowed.

9. In the result, appeal of the Assessee is allowed.

Order pronounced in the open Court on 10.02.2026

Sd/-
[MANISH BORAD]
ACCOUNTANT MEMBER

Dated : 10th February, 2026

vr/-

Copy to

1.	The appellant
2.	The respondent
3.	The Pr.CIT, Nagpur concerned.
4.	D.R. ITAT, SMC Bench, Nagpur.
5.	Guard File.

By Order

//True Copy //

Senior Private Secretary
ITAT, Nagpur