

**IN THE INCOME TAX APPELLATE TRIBUNAL, MUMBAI "F" BENCH, MUMBAI
BEFORE SHRI RAHUL CHAUDHARY, JUDICIAL MEMBER AND
SHRI BUAYANANDA PRUSETH, ACCOUNTANT MEMBER
ITA No. 8355, 8356 & 8357/MUM/2025 (AY: 2017-18, 2018-19 & 2019-20)**

Joita Ram Nanji Ram Purohit, Shop No.30, 2 Floor, The Platinum Mall, Block No. 243, Bapurao Marg, Mumbai-400004.	vs.	ACIT Central Circle-4(2), Room No. 1918, 19th Floor, Air India Building, Nariman Point, Mumbai- 400021.
PAN/GIR No: ASIPP8189M		
(Appellant)		(Respondent)
Appellant by	None	
Respondent by	Shri Vivek Perampurna (CIT-DR)	
Date of Hearing	17.02.2026	
Date of Pronouncement	18 .02.2026	

ORDER

PER BIJYANANDA PRUSETH, AM:

These three appeals filed by the assessee emanate from the common order passed under section 250 of the Income-tax Act, 1961 (in short, 'Act') by the Commissioner of Income-Tax (Appeals)-52, Mumbai dated 01.10.2025 for the assessment years (AY) 2017-18, 2018-19 and 2019-20. In all appeals, the grounds of appeal and the facts are similar except variation of addition on account of unexplained investment. Therefore, the appeals were clubbed, heard together and are decided by a common order for the sake of convenience and brevity. ITA No.8355/Mum/2025 is taken as the "lead" case.

2. The grounds of appeal raised by the assessee in ITA No.8355/Mum/2025 (AY: 2017-18) are as under:

"1. The CIT(A) and AO erred in sustaining the addition without granting cross examination of Shri Imran Ansari and Shri Tabrez Shaikh whose statements formed the sole basis of the addition. Denial of cross examination violates principles of natural justice as held by the Supreme Court in Andaman Timber Industries vs CCE 2015 and Kishanchand Chellaram vs CIT 1980.

2. The addition is based solely on a third party excel sheet seized from Rubberwala Group which does not belong to the assessee and does not contain any signature OR acknowledgement by the assessee. Reliance on such uncorroborated digital data is illegal as held in CIT vs Sinhgad Technical Education Society 2017 and Pepsico India Holdings vs ACIT 2014.

3. The initiation of proceedings under section 153C is invalid since no incriminating material belonging to the assessee was found during search and the satisfaction note is not in accordance with law.

4. The addition under section 69 is unjustified since the entire purchase consideration was paid through banking channel and duly recorded in the books. Section 69 cannot be applied when the source is explained as held in CIT vs Dinesh Jain HUF 2013 and CIT vs PK Noorjahan 1999.

5. The authorities failed to consider the registered purchase 5 agreement and stamp duty valuation which conclusively prove that no on money transaction was involved.

6. The order of the CIT(A) is mechanical and non speaking as it ignores written submissions evidence and case laws placed on record.

7. The addition results in double taxation of income already offered. The same income cannot be taxed twice as held in CIT vs Excel Industries Ltd 2013.

8. The appellant reserves the right to add alter amend OR withdraw any ground of appeal at the time of hearing.

9. Addition under section 69 sustained based only on third party statements and an excel sheet not belonging to the assessee, no cross examination granted, proceedings under section 153C invalid as no incriminating material belonging to the assessee was found, registered agreement and banking trail proving full payment through bank ignored, CIT(A) order is non speaking and the addition results in double taxation, Supported by Supreme Court and High Court decisions including Andaman Timber Industries 2015, Kishanchand Chellaram

1980, Sinhgad Technical Education Society 2017, Noorjahan 1999, Excel Industries 2013."

3. The grounds of appeal raised by the assessee in ITA No.8356/Mum/2025 (AY: 2018-19) are as under:

"1. The CIT(A) and AO erred in sustaining the addition without granting cross examination of Shri Imran Ansari and Shri Tabrez Shaikh whose statements formed the sole basis of the addition. Denial of cross examination violates principles of natural justice as held by the Supreme Court in Andaman Timber Industries vs CCE 2015 and Kishanchand Chellaram vs CIT 1980.

2. The addition is based solely on a third party excel sheet seized from Rubberwala Group which does not belong to the assessee and does not contain any signature OR acknowledgement by the assessee. Reliance on such uncorroborated digital data is illegal as held in CIT vs Sinhgad Technical Education Society 2017 and Pepsico India Holdings vs ACIT 2014.

3. The initiation of proceedings under section 153C is invalid since no incriminating material belonging to the assessee was found during search and the satisfaction note is not in accordance with law.

4. The addition under section 69 is unjustified since the entire purchase consideration was paid through banking channel and duly recorded in the books. Section 69 cannot be applied when the source is explained as held in CIT vs Dinesh Jain HUF 2013 and CIT vs PK Noorjahan 1999.

5. The authorities failed to consider the registered purchase 5 agreement and stamp duty valuation which conclusively prove that no on money transaction was involved.

6. The order of the CIT(A) is mechanical and non speaking as it ignores written submissions evidence and case laws placed on record.

7. *The addition results in double taxation of income already 7 offered. The same income cannot be taxed twice as held in CIT vs Excel Industries Ltd 2013.*

8. *The appellant reserves the right to add alter amend OR withdraw any ground of appeal at the time of hearing.*

9. *Addition under section 69 sustained based only on third party statements and an excel sheet not belonging to the assessee, no cross examination granted, proceedings under section 153C invalid as no incriminating material belonging to the assessee was found, registered agreement and banking trail proving full payment through bank ignored, CIT(A) order is non speaking and the addition results in double taxation. Supported by Supreme Court and High Court decisions including Andaman Timber Industries 2015, Kishanchand Chellaram 1980, Sinhgad Technical Education Society 2017, Noorjahan 1999, Excel Industries 2013."*

4. The grounds of appeal raised by the assessee in ITA No.8357/Mum/2025 (AY: 2019-20) are as under:-

"1. The CIT(A) and AO erred in sustaining the addition without granting cross examination of Shri Imran Ansari and Shri Tabrez Shaikh whose statements formed the sole basis of the addition Denial of cross examination violates principles of natural justice as held by the Supreme Court in Andaman Timber Industries vs CCE 2015 and Kishanchand Chellaram vs CIT 1980.

2. The addition is based solely on a third party excel sheet seized from Rubberwala Group which does not belong to the assessee and does not contain any signature OR acknowledgement by the assessee Reliance on such uncorroborated digital data is illegal as held in CIT vs Sinhgad Technical Education Society 2017 and Pepsico India Holdings vs ACIT 2014.

3. The initiation of proceedings under section 153C is invalid since no incriminating material belonging to the assessee was found during search and the satisfaction note is not in accordance with law.

4. *The addition under section 69 is unjustified since the entire purchase consideration was paid through banking channel and duly recorded in the books. Section 69 cannot be applied when the source is explained as held in CIT vs Dinesh Jain HUF 2013 and CIT vs PK Noorjahan 1999,*

5. *The authorities failed to consider the registered purchase agreement and stamp duty valuation which conclusively prove that no on money transaction was involved.*

6. *The order of the CIT(A) is mechanical and non-speaking as it ignores written submissions evidence and case laws placed on record.*

7. *The addition results in double taxation of income already offered. The same income cannot be taxed twice as held in CIT vs Excel Industries Ltd 2013*

8. *The appellant reserves the right to add alter amend OR withdraw any ground of appeal at the time of hearing.*

9. *Addition under section 69 sustained based only on third party statements and an excel sheet not belonging to the assessee, no cross examination granted, proceedings under section 153C invalid as no incriminating material belonging to the assessee was found, registered agreement and banking trail proving full payment through bank ignored, CIT(A) order is non speaking and the addition results in double taxation. Supported by Supreme Court and High Court decisions including Andaman Timber Industries 2015, Kishanchand Chellaram 1980, Sinhgad Technical Education Society 2017, Noorjahan 1999, Excel Industries 2013."*

5. Facts of the case, in brief, are that the assessee filed return of income for AY 2017-18 on 30.03.2017 declaring total income at Rs.4,17,800/-. A search and seizure operation u/s 132 of the Act was carried out on 17.03.2021 in case of Rubberwala group and Ors. It was gathered during the search that the appellant had purchased shop in Platinum Mall Building, Girgaon, Mumbai and amount of

Rs.20,28,950/- was paid in cash for acquisition of the said property i.e. Rs.2,00,000/-, Rs.10,35,850/- and Rs.7,93,100/- in cash were paid in the previous years relevant to AYs 2017-18, 2018-19 and 2019-20 respectively. Thereafter, assessment order u/s 153(C) was passed on 19.03.2024 by making addition of Rs.2,00,000/- as unexplained investment u/s 69 of the Act.

5.1 Aggrieved by the order of the Ld.AR before the CIT(A). The appellant challenged the assessment order on various legal grounds, violation of the principles of natural justice as well as on the merit of the addition. The CIT(A) dismissed the appeal of the assessee on all counts.

6. Aggrieved by the order of CIT(A), the assessee filed appeal before the Tribunal. None appeared on behalf of the assessee but written submission for all three years have been filed by the Ld. AR of the appellant. In the said submission, the Ld. AR has submitted that the issue in the instant appeals are squarely covered the decision of the coordinate bench of Mumbai Tribunal dated 12.11 2025 in the case of Lilaram vs. DCIT Central Circle-4(2), Mumbai in ITA No.5553, 5554, 5555 & 5557/Mum/2025. He has enclosed copy of the order for reference. The Tribunal in the said case dealt with an identical situation concerning alleged "on money" in a builder project, where additions were made solely on the basis of Excel Files and third party statements. The Tribunal held that third party material without

corroboration, denial of cross examination and absence of incriminating material belonging to the assessee cannot justify addition u/s 69 of the Act. On the other hand, there is complete banking trail and registered agreement for purchase of the impugned shop. There was also denial of cross examination to the appellant. Since there is strong priority with the decision of the coordinate bench of the ITAT, Mumbai in case of Lilaramm vs. DCIT Central Circle-4(2), Mumbai in ITA No 5554-5557/MUM/2025 dated 10.11.2025 (AY 2019-20 & AY 2020-2021), it was requested to delete the addition of Rs.2,00,000/-made u/s 69 of the Act.

7. On the other hand, the learned Senior Departmental Representative (Sr. DR) for the revenue supported the orders of AO and CIT(A) He however, agreed that this is a repetitive issue which had been decided in favour of the assessee concerned by different benches of jurisdictional ITAT.

8. We have heard both the parties and perused the materials on record. We have also deliberated on the decision relied upon by the Ld. AR. We find that the issues in the present appeal are similar and common to the issues of different appeal related to Rubberwala group. The Ld Sr. DR has not been able to controvert the claim of the appellant that the present cases are covered by the decision of the coordinate bench of the ITAT, Mumbai in the case relied upon by the Ld. AR supra. It is found that the issues in the instant appeal are covered by

the following decisions (i) Pravin K Purohit Vs. DCIT Central Circle 4(2), ITA No 4742-4744/MUM/2025 dated 15.10.2025 (AY 2017-18, 2018-19 & 2020-2021), (ii) Akhraj P Chopra Vs. DCIT Central Circle 4(2), ITA No 5553-5555/MUM/2025 & Lilaram Vs. DCIT Central Circle 4(2), ITA No 5554-5557/MUM/2025 dated 10.11.2025 (AY 2019-20 & AY 2020-2021), (iii) Bhavana Jain vs. ACIT Central Circle 4(2), ITA No 6363-6365/MUM/2025 dated 10.12.2025 (AY 2017-18, 2018-19 & 2019-20), (iv) Bharat Solanki Vs. DCIT Central Circle 4(2), ITA No 6523-6525/MUM/2025 dated 23.12.2025 (AY 2017-18, 2018-19 & 2019-20), (v) Manish K Seksaria 92-111 Vs. DCIT Central Circle 4(2) ITA No 5499-5501/MUM/2025 dated 23.12.2025 (AY 2017-18, 2018-19 & 2019-20), (vi) Mishra Ganesha Ram Vs. DCIT Central Circle 4(2) ITA No 5552 & 5556/MUM/2025 dated 23.12.2025 (AY 2019-20 & AY 2020-21), (vii) Manish Mali Vs DCIT Central Circle 4(2) ITA No 6571, 6569 & 6568/MUM/2025 (AY 2017-18, 2018-19 & 2019-20) & Darpan H Mehta VS DCIT Central Circle 4(2) ITA No 5488-5489/MUM/2025 (AY 2018-19 & AY 2019-20) & Dinesh Megharam Choudhary VS DCIT Central Circle 4(2) ITA No 6480, 6479 & 6478/MUM/2025 (AY 2017-18, 2018-19 & 2019-20) dated 24.12.2025, (viii) Arvind K Purohit Vs. DCIT Central Circle 4(2), ITA No 4747 & 4746/MUM/2025 dated 20.01.2026 (AY 2017-18, 2018-19), (ix) Bharat H Purohit VS DCIT Central Circle 4(1), ITA No 5831 & 5832/MUM/2025 dated 19.01. 2026 (AY 2017-18,

2018-19), (x) Bhavesh H Solanki Vs. DCIT Central Circle 4(2) ITA No 7460-7462/MUM/2025 dated 20.01.2026 (AY 2017-18, 2018-19 & 2019-20), (xi) Bipin F Jain Vs. DCIT Central Circle 4(2) ITA No 7021, 7023 & 7022/MUM/2025 dated 19.01.2026 (AY 2017-18, 2018-19 & 2019-20), (xii) Jayantilal Purohit Vs. DCIT Central Circle 4(2) ITA No 5682-5684/MUM/2025 dated 30.12.2025 (AY 2017-18, 2018-19 & 2019-20), (xiii) Kulsum Aaqib Memon Vs. DCIT Central Circle 4(2), ITA No 6450/MUM/2025 dated 06.01.2026 (AY 2021-22), (xiv) Ganpat H Purohit Vs DCIT Central Circle ITA No 5827-5830/MUM/2025 dated 22.01.2026 (AY 2017-18, 2018-19, 2019-20 & 2020-21). In all these cases, the different benches of the Mumbai Tribunal have decided similar issue in favour of the assessee. In case of Akhraj P Chopra and Lilaram (supra), the ITAT decided the issue in favour the appellant by following the order of the ITAT, Mumbai in case of Praveen K Purohit (supra), which in turn relied on the decisions of ITAT, Mumbai in cases of Rajesh Jain in ITA No.3841 & 3842 and ITA Nos. 3950, 3951, 3952 and 3954/Mum/2023, Heena Dashrath Jhanglani (ITA No.1665/Mum/2018), Monika Anand Gupta (ITA No.5561/Mum/2018), Ms. Mamta Sharad Gupta (ITA No.1553/Mum/2021) and others. The relevant part of the decision of Praveen K Purohit (supra) has been reproduced at page 5 to 14 of the ITAT order (supra) and all four appeals of the assessee were allowed. The Tribunal finally decided as under:-

"6. On comparison of fact of present case, we do not find any material difference, therefore, respectfully following the same, the ground no. 2 & 3 of the appeal are allowed.

7. We find that no specific submission was made against ground no. 1, which relates to validity of assessment order passed under section 153C Therefore, such ground of appeal is treated as not pressed and dismissed. In the result, the appeal of the assessee is partly allowed.

ITA No. 5555/M/2025 (AY: 2020-21)

ITA No. 5554/M/2025 (AY: 2019-20)

ITA No. 5557/M/2025 (AY: 2020-21)

8. In all the three appeals, the assessee has raised similar ground of appeal against passing the assessment order under section 153C as well as addition on merit. Considering the fact that we have deleted the addition and dismissed the corresponding ground related with validity of assessment under section 153C, therefore, our finding in ITA No. 5553/M/2025 will be applicable mutatis mutandis in all three appeals.

In the result, all the three appeals are partly allowed.

9. In the result, all the four appeals of the assessee are allowed."

9. Since the facts of the present appeal are similar to the facts of the case cited supra, following the findings in the case of Akhraj P. Chopra and Lilaram (supra), the grounds on merit are allowed and AO is directed to delete the addition.

10. Since the appeal of the assessee has been allowed on merit, the other grounds raised become academic in nature and are, therefore, not adjudicated.

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

ITA No.8356 & 8357/Mum/2025 (AY: 2018-19 and 2019-20)

12. The facts and the grounds of the above appeals are similar to those of ITA No.8355/Mum/2025 (AY: 2017-18) decided above. Following the reasons given in the said appeal, these appeals of the assessee are also allowed.

13. In the combined result, all three appeals are allowed.

Order is pronounced on 18.02.2026.

Sd/-
(RAHUL CHAUDHARY)
JUDICIAL MEMBER

Sd/-
(BIJYANANDA PRUSETH)
ACCOUNTANT MEMBER

*Aniket Chand; Sr. PS

MUMBAI

Date: 18.02.2026

Copy of the Order forwarded to:

1. The Assessee
2. The Respondent
3. The CIT(A)
4. CIT
5. DR/AR, ITAT, MUMBAI
6. Guard File

By Order

Assistant Registrar
ITAT, MUMBAI