

**IN THE INCOME TAX APPELLATE TRIBUNAL
“E” BENCH, MUMBAI
BEFORE SHRI AMIT SHUKLA (JUDICIAL MEMBER)
&
SHRI ARUN KHODPIA (ACCOUNTANT MEMBER)
I.T.A. No.8098/Mum/2025
Assessment Years: 2020-21**

Kiara Amit Duhlani 91, Narain Terraces, Pali Hill Road Bandra West Mumbai - 400050 [PAN:ADKPJ7442E]	Vs.	Income Tax Officer, Circle- 22(1)
(Appellant)		(Respondent)

Assessee by	Shri Jay Shah, AR
Revenue by	Shri RiteshMisra, CIT D/R
Date of Hearing	16.02.2026
Date of Pronouncement	.02.2026

ORDER

PER AMIT SHUKLA (J.M.):

1. The above-captioned appeal has been preferred by the assessee against the order dated 03.10.2025 passed by the Ld. CIT(A), NFAC, arising from the assessment framed u/s 147 r.w.s. 144B of the Act for A.Y. 2020-21.
2. In the grounds raised, the assessee has challenged the addition of ₹10,00,00,000/- made u/s 68 on account of gift stated to have been received from her father, Mr. Ajay ThakurdasJaisinghani, and has also assailed the consequential levy of tax at the rate of 60% u/s 115BBE of the Act.
3. The facts, as emanate from the record and as have been brought on the file, are that the assessee is an individual who declared total income of ₹31,67,430/- in the return. It is further borne out that the assessee, along with her spouse, purchased

an immovable property for ₹18,91,00,000/- and also incurred stamp duty and registration charges of ₹1,13,76,000/-, thereby aggregating the overall investment to ₹20,04,76,000/-. On the basis of information pertaining to the said investment, the case was reopened to verify and examine the source of funds utilised for such purchase, and consequently assessment came to be framed under the reassessment framework.

4. During the reassessment proceedings, the assessee explained the source of the investment by stating, firstly, that she had availed a housing loan from Canara Bank and, secondly, that she had also obtained an interest-free loan of ₹10,00,00,000/- from her uncle, Mr. Ramesh Jaisinghani, for the purpose of purchase of the said property. In support, documentary evidences, including bank loan records from Canara Bank and bank statements evidencing the receipt of the interest-free loan from the uncle, were placed on record. The Ld. AO, however, noticed that the loan taken from the uncle on 18.04.2019 was repaid on 24.07.2019, and upon further scrutiny of the banking trail, he observed that the assessee had received ₹10,00,00,000/- from her father, Mr. Ajay Thakurdas Jaisinghani, which amount was thereafter transferred to the account of her uncle, Shri Ramesh Jaisinghani. Proceeding on the footing that the assessee had not satisfactorily explained the nature and source of the impugned credit, the Ld. AO treated the said amount as unexplained and made an addition of ₹10,00,00,000/- u/s 68.

5. In appeal before the Ld. CIT(A), the assessee filed additional evidences to demonstrate the source of funds from her father and to support the genuineness of the transaction. The Ld. CIT(A), however, was not persuaded and, inter alia, observed that the gift deed was unregistered and appeared to be a post-facto arrangement, and on such reasoning confirmed the addition, without, as is evident from the record, engaging with the documentary trail and the financial capacity reflected from the materials placed on file.

6. We have considered the rival submissions, perused the material on record and examined the evidences referred to before the authorities below. At the outset, it is not in dispute that the assessee, for the purpose of purchase of the immovable property, had availed a housing loan from Canara Bank and had also taken an interest-free loan of ₹10,00,00,000/- from her uncle. The core controversy, therefore, narrows down to the nature and source of the credit of ₹10,00,00,000/- received from the father, which—on the AO's own appreciation of the banking trail—stood routed through banking channels and thereafter found its way into the transaction chain.

7. In matters of addition under section 68, the judicial discipline requires the authority to examine the explanation on the touchstone of identity, creditworthiness, and genuineness, and once the assessee furnishes primary evidences establishing these three facets, the burden cannot be kept perpetually afloat by conjecture, nor can a lawful explanation be displaced merely by suspicion. In the present case, the identity of the donor is not

in dispute, the relationship is that of father and daughter, and the movement of funds is demonstrated through the banking channel. Crucially, the assessee placed on record the bank statement of the father evidencing the transfer and reflecting substantial credit balance, and also furnished the ITR of the father, Mr. Ajay Thakurdas Jaisinghani, who had declared income of ₹10.57 crores, thereby evidencing the donor's financial capacity and creditworthiness.

8. Not only that, the immediate source of funds in the hands of the father, out of which the gift was made, has also been supported by contemporaneous documentary evidences. These include (i) the consolidated account statement showing redemption of mutual funds for ₹5,00,00,000/- on 22.07.2019 and the receipt thereof in HDFC Bank account on 23.07.2019; (ii) the dividend income of ₹6,38,11,623/- received from Polycab India Limited in ICICI Bank account on 15.07.2019, out of which ₹6,38,11,000/- was transferred to the father's own HDFC Bank account on 23.07.2019; and (iii) these two streams aggregating to ₹11,38,11,000/-, out of which ₹10,00,00,000/- was gifted to the assessee on 24.07.2019.

9. When such primary and cogent evidences are available on record, establishing not merely the identity and capacity of the donor but also the immediate and proximate source of the very funds used for the stated gift, the addition u/s 68 cannot be sustained. The approach of the Ld. CIT(A), in treating the gift as suspect primarily on the ground that the gift deed was unregistered and describing it as post-facto, does not rebut the

bank trail, the financial capacity reflected in the return of income of the donor, or the documentary evidence demonstrating the origin of funds. In a case where the transaction stands evidenced through banking channels and the donor's creditworthiness is supported by declared income and identifiable sources such as mutual fund redemption and dividend receipts, the edifice of section 68 addition collapses for want of any contrary material impeaching these evidences.

10. Accordingly, we hold that the assessee has satisfactorily discharged the onus cast upon her in respect of the impugned credit. Thus, not only the creditworthiness of the donor, but also the immediate source of funds for giving the gift to his daughter stands duly established and cannot be doubted; consequently, the addition of ₹10,00,00,000/- made by the Ld. AO and confirmed by the Ld. CIT(A) is directed to be deleted.

11. Since the very foundation for invoking section 115BBE in the present case is the addition u/s 68, once the addition itself is deleted, the consequential application of section 115BBE also does not survive.

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

Order pronounced in the open court on /02/2026

(ARUN KHODPIA)
Accountant Member

(AMIT SHUKLA)
Judicial Member

Mumbai
Dated: /02/2026

SC Sr. P.S.

Copy of the order forwarded to:

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

True Copy
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(Asstt.Registrar)
ITAT, Mumbai

Sr. No.	Details	Date	Initial	Designation
1.	Draft dictated on	24.02.26		Sr.PS/PS
2.	Draft Placed before author	25.02.26		Sr.PS/PS
3.	Draft proposed & placed before the Second Member			JM/AM
4.	Draft discussed/approved by Second Member			JM/AM
5.	Approved Draft comes to the Sr.PS/PS	.02.26		Sr.PS/PS
6.	Order pronouncement on			Sr.PS/PS
7.	File sent to the Bench Clerk			Sr.PS/PS
8.	Date on which the file goes to the Head clerk			
9.	Date on which file goes to the AR			
10.	Date of Dispatch of order			

