

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

BEFORE SHRI C.N. PRASAD, JUDICIAL MEMBER

**ITA No.6622/Del/2025
Assessment Year 2023-24**

Nishant Anand 2/91, Roop Nagar, Delhi -110007 PAN No. ANSPA3804F	Vs	The Assessing Officer Delhi
Assessee		Respondent

Assessee	Ms. Shruti Gupta, Advocate Sh. Neeraj Paswan, Advocate Ms. Shefali Kishore, Advocate
Respondent	Sh. Manoj Kumar, Sr. DR

Date of Hearing	13.01.2026
Date of Pronouncement	27.02.2026

ORDER

PER C.N. PRASAD, JM,

This appeal is filed by the assessee against the order of the CIT(A)/NFAC dated 01.09.2025 for the A.Y. 2023-24 in sustaining the addition of Rs.11,32,102/- which addition was made by the AO as unexplained expenditure u/s.69C of the Act.

2. Heard rival submissions and perused the orders of the authorities below. The assessee is an individual filed return of income on 28.07.2023 declaring income of Rs.7,31,740/-. The assessment was completed u/s.143(3) r.w. 144B of the Act. In

the course of assessment proceedings the AO issued a show cause notice proposing to treat credit card payments of Rs.11,32,000/- as unexplained expenditure u/s.69C r.w.s. 115BBE of the Act. In response to show cause notice the assessee stated that he has made payment of Rs.11,32,102/- in his credit card from Axis Bank and enclosed details of payments made by the assessee in his credit card through bank account and cash payments. The assessee furnished only partial details and submitted that the remaining details will be furnished as soon as the assessee comes back to India as he is out of country and sought an adjournment. However, the AO treated the credit card payments of Rs.11,32,102/- as unexplained expenditure u/s.69C of the Act. On appeal the Ld. CIT(A) sustained the addition by observing as under :-

7.3 During documents and judicial decisions and the During the course of appellate proceedings, the appellant has furnished the written submission along with supporting same is perused by the undersigned. The appellant has argued that the credit card was used for the personal purpose of the relatives and friends and cash is received from friends and relatives and the same is the source for credit card payment. The credit card is nothing but the personal credit facility is given to the appellant by the bank. As per the banking norms, the credit card should not be used for others expenditure which is against the agreement between the appellant and bank for using the credit card. Hence, using the credit card for others purpose is against and violation of the law. For the repayment of credit card, the source is to be established by the appellant whereas the appellant has claimed that the source is from friends and relatives. It is pertinent to mention here that the repayment was done through cash and not through banking channel. The fact is that the appellant has unaccounted cash which is used for payment of credit card and unaccounted cash of the appellant was claimed as cash received from friends and relatives. Further, the appellant has relied upon many judicial decisions and the same is perused. The facts of the appellant's case are different form the facts of the judicial

decisions which are relied upon and those judicial decisions are not applicable in the case of the appellant. In view of the above-mentioned facts and discussions, the appellant could not establish the source for the credit card payment of Rs. 11,32,102/-, therefore, the undersigned could not find any reason to interfere with the addition made in the assessment order. The AO is directed to charge interest u/s 234A, 234B and 234C as per the provisions of the Act. The appellant has raised the objection on the addition of Rs. 11,32,102/- through ground no.1, therefore, ground no. 1 is decided against the appellant.

3. It is the contention of the assessee that the credit card of the assessee was used by friends and relatives and assessee was given cash for paying credit card dues. The Ld. Counsel for the assessee submitted that the cash payments into credit card account are only Rs.9,52,000/- and not Rs.11,32,102/-. The assessee furnished the following table explaining the utilization of the credit card by friends, mother and father as under :-

EXPENSE TABLE

S.NO.	Name and Relation	Amount	Tenure/Year	Nature of Expenditure	Referral Page No. in the paper book
1.	Girish Bhiku Parab	<u>87,000</u>	<u>FY 2022-2023</u>	Duty Free Shop, Westin	
		28,075.71	March 28, 2022 (7707)	Resort, at Beer and Wine	15
		42474.10	August 8, 2022 (7903)	Shops, etc.	23
		1,212	August 16, 2022 (7903)		
		15,000	July 02, 2022 (Sharing payment) (7903)		25

	50,000	July 1, 2022	Hazoori lal and sons Jew	
	20,990	May 19, 2022	Shop Samsung	13
	453	March 19, 2022	Paras Healthcare	15
	1,200	March 19, 2022	Paras Healthcare	
	15,590	March 19, 2022	Paras Healthcare	
	4,703	March 19, 2022	Paras Healthcare	
	53,506	December 5, 2022	Melbourn Visit	21
	448	September 1, 2022	Apollo Pharmacy	24
	52,218.80	August 8, 2022	TATA AIG Insurance	
TOTAL	8,62,995			

4. The Counsel for the assessee also submitted that the friends utilized credit card of the assessee have also filed affidavits confirming that the credit card was used by them and they made payment in cash to the assessee alongwith their PAN numbers and Aadhar card proving their identity.

5. I have perused the evidences furnished by the assessee in the form of affidavits from the friends identifying themselves by furnishing PAN cards and Aadhar Cards, stating that the credit card was used by friends and relatives for their personal expenses and they have returned money in cash to the assessee. All these goes to show that the credit card was used by friends, mother and father of the assessee and friends have given money in cash for credit card payments and in my view the assessee has proved the sources of credit card payments and accordingly the AO is directed to delete the addition u/s.69C of the Act.

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

Order pronounced in the open court on 27.02.2026.

Sd/-
[C.N. PRASAD]
JUDICIAL MEMBER

Dated: 27.02.2026

*W.S.H.A., Sr. P.O.**

Copy forwarded to:

1. Appellant
2. Respondent
3. PCIT
4. CIT(A)
5. DR

Asst. Registrar,
ITAT, New Delhi