आयकर अपीलीय अधिकरण, दिल्ली पीठें, नई दिल्ली
INCOME TAX APPELLATE TRIBUNAL, DELHI
BENCHES, NEW DELHI

BENCH: SMC

BEFORE SHRI M BALAGANESH, ACCOUNTANT MEMBER

ITA 6831/DEL/2026 (निर्धारण वर्ष/Assessment Year: **2018-19**)		
VIJAY SHARMA I-319, NARAINA VIHAR NEW DELHI, NEW DELHI-110028, DELHI	**Vs.**	**ITO WARD 50(1), CIVIC CENTRE, MINTO ROAD,** NEW DELHI-110002, DELHI
अपीलार्थी **Appellant**		प्रत्यर्थी **Respondent**
Permanent Account Number of Assessee:		**BDOPS 9035D**
अपीलार्थी द्वारा/Appellant represented by:		**Sh. Manoj Gupta, CA**
प्रत्यर्थी द्वारा/Respondent represented by:		**Sh. Manoj Kumar. Sr. DR**

सुनवाई की तारीख / Date of conclusion of hearing:	**06-Oct-2026**
घोषणा की तारीख / Date of pronouncement:	**18-Nov-2026**

आदेश / ORDER

PER SHRI M BALAGANESH, ACCOUNTANT MEMBER:

1. This appeal in ITA No. 6831/Del/2026 for A.Y. 2018-19, arises out of the order of the ld. National Faceless Appeal Centre (NFAC), Delhi [hereinafter referred to as 'ld. CIT(A), in short] dated 29.04.2026 against the order of the assessment passed u/s 143(3) r.w.s. 144B of the Income Tax Act, 1961 (hereafter referred to as 'the Act') dated 20.04.2021 by the Assessing Officer, Income Tax Department, National e- Assessment Centre, Delhi (hereinafter referred to as the 'ld. AO).

2. Though the assessee has raised several grounds of appeal before me, the only effective issue to be decided is as to whether the learned CITA was justified

in confirming the addition made in the sum of ₹15,67,409 on account of SBI credit card expenses in the facts and circumstances of the instant case.

3. I have heard the rival submissions and perused the materials available on record. The return of income for the assessment year 2018-19 was filed by the assessee on 30-8-2018 declaring total income of ₹10,51,500. The case of the assessee was selected for scrutiny on the ground that huge payments were made for credit card purchases during the year under consideration. On verification of its details, it was found that assessee had made transaction of ₹22,85,144 through credit cards as under:-

a) ₹1,12,985 in HDFC Bank credit card
b) ₹15,67,409 in SBI credit card
c) ₹6,04,750 in Standard Chartered Bank credit card.

4. The learned AO in Page number 2 of the assessment order noted that assessee had complied by submitting all the relevant details of credit cards together with the brief note of the activities and details of payments made on account towards credit cards. It was also submitted by the assessee that amount spent on SBI credit card of ₹15,67,409, the payment for the same was made by his wife Mrs Jyoti Sharma who had separate business and also submitted confirmation from her for making payment on behalf of the assessee. The learned AO on verification of the same found that expenses of ₹15,67,409 spent in SBI credit card were personal in nature and not related to the business of the assessee. The learned AO noted that assessee's wife Mrs Jyoti Sharma is a women entrepreneur during doing freelance transactions of garments and had also used assessee's credit card for purchases. The notice under section 133(6) of the Act was issued to Mrs Jyoti Sharma which was duly responded by her directly before the learned AO by furnishing the income tax returns for assessment years 2016-17, 2017-18 and 2018-19. The learned AO noted from the ITR acknowledgement that Mrs Jyoti Sharma had filed the returns in Form No. 1 and not in Form No. 3 or 4 which goes to prove that she is not engaged

in any type of business. Accordingly, the learned AO disbelieved the availability of sources for making payments to SBI credit card in the total sum of ₹15,67,409 by Mrs Jyoti Sharma on behalf of the assessee and disallowed the same in the assessment of the assessee as not meant for the purpose of business.

5. The assessee clarified that the SBI credit card and Standard Chartered Bank credit card were used by his wife Mrs Jyoti Sharma for her business purposes and that the amount of ₹15,67,409 spent in SBI credit card pertains to the transactions carried out by his wife and the same does not pertain to the assessee at all. The assessee submitted the complete details of sources for making payments of ₹15,67,409 by his wife Mrs Jyoti Sharma as under:-

a) Payments made by cheque by Mrs Jyoti Sharma out of her income and savings –₹6,00,797
b) Payments made by Mrs Jyoti Sharma out of available cash balance as on 31/3/2017 - ₹1,62,850
c) Payments made by Mrs Jyoti Sharma out of cash sales of ₹9,27,200 on sale of garments and other items – ₹8,03,762
Total payments - ₹15,67,409

6. The aforesaid explanation given by the assessee was not appreciated by the learned CITA and the learned CITA upheld the action of the learned AO.

7. At the outset, I find that assessee had furnished the confirmation from his wife Mrs Jyoti Sharma stating the payments for SBI credit cards were made by her from her disclosed sources of income. She has also responded to notice issued in the section 133(6) of the Act directly before the learned AO by furnishing the requisite details together with the ITR acknowledgements thereon for 3 assessment years. I find that assessee had also furnished the entire details of payments made by Mrs Jyoti Sharma towards SBI credit card in the total sum of ₹15,67,409. Further I find that assessee had categorically stated that the amounts spent in SBI credit card does not pertain to the assessee

at all and that those transactions relate to his wife's business. Further it was duly clarified that no deduction has been claimed by the assessee as expenditure in his return of income in the sum of ₹15,67,409 being the amount spent on SBI credit card. Hence there is no question of making any disallowance of the said expenditure in the assessment of the assessee when there was no claim per se made by the assessee in the return. The assessee on his part had duly explained the source of making payment to SBI credit card in the total sum of ₹15,67,409 by his wife Mrs Jyoti Sharma. Hence the addition made by the learned AO and confirmed by the learned CITA deserve to be deleted as it would have no legs to stand in the eyes of law in view of the aforesaid facts. The grounds raised by the assessee are allowed.

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

Order pronounced in the open court on 18.11.2026

Sd/-
M BALAGANESH
ACCOUNTANT MEMBER

Delhi
Dated: 18.11.2026

GP/Sr.PS
Copy to:

1	**VIJAY SHARMA,** **I-319, NARAINA VIHAR NEW DELHI,** **NEW DELHI-110028,** **DELHI**
2	**ITO WARD 50(1), Civic Centre, Minto Road, NEW DELHI-, DELHI 110002**
3	THE PCIT / CIT,
4	THE D.R., ITAT, DELHI BENCH
5	GUARD FILE

TRUE COPY

ASSISTANT REGISTRAR /
SR. PRIVATE SECRETARY
I.T.A.T., DELHI