

आयकर अपीलीय अधिकरण, जयपुर न्यायपीठ, जयपुर  
IN THE INCOME TAX APPELLATE TRIBUNAL,  
JAIPUR BENCHES (SMC), JAIPUR

श्री विजय पाल राव, न्यायिक सदस्य के समक्ष  
BEFORE: SHRI VIJAY PAL RAO, JUDICIAL MEMBER

आयकर अपील सं./ ITA No. 885/JP/2019  
निर्धारण वर्ष / Assessment Year: 2014-15

Mahendra Kumar Chaudhary, 1, Gaurav Nagar, Civil Lines, Jaipur-302006.	बनाम Vs.	I.T.O., Ward 2(2), Jaipur.
स्थायी लेखा सं./ जीआईआर सं./ PAN/GIR No.: ABPPC 0892 A		
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

निर्धारिती की ओर से / Assessee by: Shri Dilip Shivpuri (Adv)  
राजस्व की ओर से / Revenue by : Shri J.C. Kulhari (JCIT)

सुनवाई की तारीख / Date of Hearing : 17/09/2019  
उदघोषणा की तारीख / Date of Pronouncement : 14/10/2019

आदेश / ORDER

PER: VIJAY PAL RAO, J.M.

This appeal by the assessee is directed against the order dated 29/04/2019 of Id. CIT(A)-1, Jaipur for the A.Y. 2014-15. The assessee has raised following grounds of appeal:

- "1. The worthy CIT(A) erred in law and on facts in confirming the addition of Rs.6,21,200/- made u/s 69A r.w.s. 115BBE of the Income Tax Act.*
- 2. The worthy CIT(A) erred in law and on facts in upholding the estimate of agricultural income made by the Assessing Officer though he is not an expert in agricultural operations.*

3. *The worthy CIT(A) erred in law and on facts in ignoring the evidence presented by the appellant to support the agricultural income declared by him and substituting it with an estimate made by the A.O. totally on personal knowledge.*
4. *The levy of interest u/s 234B of the Act is wrong and bad in the eyes of law.*
5. *The appellant reserves the right to alter, modify or add any other ground of appeal relevant to the or arising out of the impugned order of CIT(A)."*

2. The assessee is an individual and filed his return of income on 19/03/2016 declaring total income at NIL. The assessee declared agricultural income of Rs. 21,21,000/-. During the course of scrutiny assessment, the A.O. noted from ITS data that the assessee has deposited cash of Rs. 25,31,200/- in his savings bank account maintained with ICICI bank. The assessee explained the source of cash of Rs. 25,31,200/- as agricultural income of Rs. 21,21,200/- declared in the return of income and balance amount of Rs. 4,10,000/- as accumulated savings of the past years of the assessee. The A.O. examined the tillers of the land who has carried out the agricultural operations by taking land from the assessee. In his statement, he has accepted the payment of Rs. 19,60,000/- to the assessee. The A.O. then proceeded to estimate the agricultural income by taking into consideration the total land holdings of the assessee and approximate crop yield. Thus, the A.O. has estimated agricultural income at Rs. 15.00

lacs per annum and the balance amount of Rs. 10,31,200/- was assessed as income of the assessee from undisclosed source.

3. In the appeal, the Id. CIT(A) has restricted the addition to the extent of Rs. 6,21,200/- by accepting the source of deposit of Rs. 4,10,000/- as past savings of the assessee.

4. Before the Tribunal, the Id AR of the assessee has submitted that when the assessee produced the persons concerned who is carrying out the agricultural operations on the land of the assessee by taking the same on lease and accepted the fact of payment of land revenue of Rs. 19,60,000/- then the claim of the assessee cannot be denied by making an artificial and guess work by the A.O. to estimate the income from a land holding of about 30 acres in the fertile area of Hanumangarh. The Id AR has thus submitted that the assessee produced all the relevant documents to prove the land holding and agricultural income from the said land. Therefore, the addition sustained by the Id. CIT(A) based on the estimation of the agricultural income made by the A.O. is not justified and the same may be deleted.

5. On the other hand, the Id DR has relied upon the orders of the authorities below and submitted that while estimating the agricultural income of the assessee, the A.O. has considered three crops for a year

from the said land whereas more than 2 regular crops cannot be taken in a year. The Id DR has submitted that if the wheat, rice and Kapas are taken as rabi and kharif season then no further crop can be taken in the year between two seasons. However, the A.O. while estimating the income has also considered Rs. 10.00 lacs as agricultural income from production of vegetables. The A.O. has thus estimated the gross production of the crops from the land of the assessee at Rs. 27,50,000/- and after deducting 30% expenses, has estimated income at Rs. 19,25,000/-, therefore, the A.O. has taken a reasonable and proper basis for estimation of agricultural income. He has further contended that the assessee has not carried out agricultural operations on his own but the land was stated to have been given on lease/rent to some other person, thus the income of the assessee will be less than the normal agricultural income in the hands of the farmer, who is carrying out the agricultural operations.

6. I have considered the rival submissions as well as the relevant material on record. The A.O. has not disputed the fact that the agricultural operations on the agricultural land measuring 30 acres in Hanumangarh were carried out by the tenant one Shri Mahendra Singh S/o Shri Mani Ram. In order to verify the fact, the A.O. examined the

said person and recorded his statement. He has admitted the fact of agricultural activity carried out on the agricultural land of the assessee and payment of Rs. 19,60,000/- through cheques issued from OBC bank account. Once the payment of Rs. 19,60,000/- were admitted by the tiller/tenant who has carried out agricultural operations and that too through the banking channel then to that extent the agricultural income of the assessee for the year under consideration cannot be doubted. The Id. CIT(A) has accepted the source of deposit to the extent of Rs. 4,10,000/- as past savings of the assessee. Accordingly, by considering the said amount of Rs. 19,60,000/- as agricultural income for the year under consideration and Rs. 4,10,000/- as past savings of the assessee, the source of deposit to the extent of Rs. 23,70,000/- is accepted, as explained by the assessee. Hence, the addition of the remaining amount of Rs. 1,61,200/- is sustained.

7. In the result, appeal of the assessee is allowed in part.

Order pronounced in the open court on 14<sup>th</sup> October, 2019.

Sd/-  
(विजय पाल राव)  
(VIJAY PAL RAO)  
न्यायिक सदस्य / Judicial Member

जयपुर / Jaipur  
दिनांक / Dated:- 14<sup>th</sup> October, 2019

**\*Ranjan**

आदेश की प्रतिलिपि अग्रेषित / Copy of the order forwarded to:

1. अपीलार्थी / The Appellant- Shri Mahendra Kumar Chaudhary, Jaipur.
2. प्रत्यर्थी / The Respondent- The I.T.O., Ward 2(2), Jaipur.
3. आयकर आयुक्त / CIT
4. आयकर आयुक्त(अपील) / The CIT(A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, जयपुर / DR, ITAT, Jaipur
6. गार्ड फाईल / Guard File (ITA No. 885/JP/2019)

आदेशानुसार / By order,

सहायक पंजीकार / Asst. Registrar