

**IN THE INCOME TAX APPELLATE TRIBUNAL  
[ DELHI BENCH "F": NEW DELHI ]**

**BEFORE SHRI ANIL CHATURVEDI, ACCOUNTANT MEMBER  
A N D  
SHRI AMIT SHUKLA, JUDICIAL MEMBER  
(Through Video Conferencing)**

ITA. No. 7244/Del/2018  
(Assessment Year : 2015-16)

Mr. Prashant Chandra, D – 127, East of Kailash, New Delhi – 110 065. <b>PAN: ADCPC6535D</b>	Vs.	ACIT, Circle : 61 (1), New Delhi.
(Appellant)		(Respondent)

Assessee by :	Shri A. P. Sinha, Advocate;
Department by:	Ms.Sangeeta Yadav, Sr.D.R.
Date of Hearing :	03/03/2022
Date of pronouncement :	03/03/2022

**ORDER**

**PER AMIT SHUKLA, JM :**

1. The aforesaid appeal has been filed by the assessee against the impugned order dated 28.09.2018, passed by the ld. Commissioner of Income Tax (Appeals)-20, New Delhi [hereinafter referred to as CIT (Appeals)] for the quantum of assessment passed under Section 143(3) of the Income Tax Act, 1961 (the Act) for assessment year 2015-16.

2. The sole issue raised by the assessee in his grounds of appeal are that, the ld. CIT (Appeals) has erred in law and on facts in sustaining the addition of Rs.91,300/- made by the Assessing Officer under

Section 68 of the Act, which was agricultural income earned by the assessee.

3. The facts in brief are that the assessee is an Individual and is an Advocate by profession and also deriving income from other sources. The assessee has also disclosed agricultural income at Rs.91,300/-. During the course of assessment proceedings, Assessing Officer has observed that assessee was asked to submit details of agricultural income, type of land, location of land, size, type of crop and the expenses incurred. However, according to the Assessing Officer assessee did not file any reply except for submitting comparative analysis of earlier assessment order. Accordingly, Assessing Officer sustained an amount of Rs.91,300/- under Section 68 of the Act by treating the agricultural income earned by the assessee as unexplained credit.

4. The Id. CIT (Appeals) too confirmed the said addition on the ground that no evidence in respect of agricultural income was produced by the assessee except for the land holding by the appellant admeasuring 0.77 hectares.

5. Before us, Id. Counsel for the assessee, Shri A. P. Sinha, submitted a petition for additional evidence under Rule 29 challenging the finding of the Id. CIT (Appeals) that there was no evidence of holding of agricultural land, whereas assessee had agricultural land for which he has filed supporting documents in the form of copies of sale deed of agricultural holding held by the assessee during the impugned year, which was sold in later years. He submitted the documents of agricultural land holding for area of 0.77 hectares, which is approximately 2.99 bighas, clearly shows that assessee had agricultural land. He further submitted that in all the assessment

years the assessee's agricultural income was shown and accepted by the Department in the scrutiny proceedings under Section 143(3) of the Act. It was further pointed out that in assessment year 2009-10 the ld. CIT (Appeals) has accepted the agricultural income of Rs.5,00,000/- out of total claim of Rs. 10,00,0000/- after detailed discussion and scrutiny after getting the remand report from the Assessing Officer. He pointed out that assessee has been carrying on farming of Menthol on the land, which was inquired and investigated during the course of assessment proceedings for assessment year 2009-10 by the CIT (Appeals) and has been mentioned in his order dated 28.09.2018 and had given this categorical finding. In this year the agricultural income of Rs.91,300/- should not be treated as income from undisclosed sources.

6. On the other hand, ld. DR strongly relied upon the order of the ld. CIT (Appeals) and submitted that no evidence whatsoever was filed regarding agricultural operation and sale of agricultural produce.

7. After considering the aforesaid submissions and on perusal of the material placed on record, we find that it is an undisputed fact that the assessee owned agricultural land to the extent of 2.99 bighas and was carrying on agricultural activities, which are evident from the past history of assessment mostly done under the scrutiny proceedings under Section 143(3) of the Act. In assessment year 2009-10 the Assessing Officer had disallowed the agricultural income shown at Rs.10,00,000/-. In the first appeal, the matter was enquired into detail by the CIT (Appeals) and the Assessing Officer in the remand proceedings found that assessee had furnished confirmatory letter of the vendors, who had carried out the agricultural operations of sale of Menthol, who have carried out the farming of menthol from

the agricultural land belonging to the assessee. The Id. CIT (Appeals) after considering the entire facts and inquiry conducted by the Assessing Officer has accepted the agricultural income of Rs.5,00,000/- out of Rs.10,00,000/-. Similarly, the agricultural income shown by the assessee had always been accepted in the past. In this year when same facts are permeating and it is an accepted fact that assessee has been earning agricultural income, then it cannot be held that the agricultural income shown by the assessee in this year amounting to Rs.91,300/- is from undisclosed sources. Assessee may not have kept sale records of the sale of agricultural produce, but nonetheless the carrying out of agricultural operation especially the agricultural crop of Menthol cannot be disputed once it has been found in the course of enquiry. Accordingly, the addition sustained by the CIT (Appeals) is deleted and agricultural income of Rs.91,300/- is accepted.

8. In the result, the appeal filed by the assessee is allowed.

Order pronounced in the open court on : **03/03/2022**.

**Sd/-**  
**( ANIL CHATURVEDI )**  
**ACCOUNTANT MEMBER**

**Sd/-**  
**( AMIT SHUKLA )**  
**JUDICIAL MEMBER**

Dated : 03/03/2022.

\*MEHTA\*

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1. Appellant;
2. Respondent;

3. CIT
4. CIT (Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR  
ITAT, New Delhi.

Date of dictation	03.03.2022
Date on which the typed draft is placed before the dictating member	03.03.2022
Date on which the typed draft is placed before the other member	03.03.2022
Date on which the approved draft comes to the Sr. PS/ PS	03.03.2022
Date on which the fair order is placed before the dictating member for pronouncement	03.03.2022
Date on which the fair order comes back to the Sr. PS/ PS	03.03.2022
Date on which the final order is uploaded on the website of ITAT	03.03.2022
date on which the file goes to the Bench Clerk	03.03.2022
Date on which the file goes to the Head Clerk	
The date on which the file goes to the Assistant Registrar for signature on the order	
Date of dispatch of the order	