

**आयकर अपीलीय अधिकरण, कटक न्यायपीठ, कटक**  
**IN THE INCOME TAX APPELLATE TRIBUNAL CUTTACK BENCH CUTTACK**  
**(THROUGH VIRTUAL HEARING)**

श्री जार्ज माथन, न्यायिक सदस्य एवं श्री राजेश कुमार, लेखा सदस्य के समक्ष ।

**BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER  
AND  
SHRI RAJESH KUMAR, ACCOUNTANT MEMBER**

आयकर अपील सं/ITA No.374/CTK/2025

(निर्धारण वर्ष / Assessment Year : 2018-2019)

<b>Charanjit Singh Grewal,</b> C/o R K Tuli and Associates, Chartered Accountants, 11/37, Old Rajinder Nagar, Delhi-110060	Vs	<b>The ACIT, Central Circle, Cuttack</b>
PAN No. : <b>ABVPG 6677 K</b>		
(अपीलार्थी / Appellant)	..	(प्रत्यर्थी / Respondent)
<b>निर्धारिती की ओर से / Assessee by</b>	:	Shri Maneesh Upnejja & baldev Raj, ARs
<b>राजस्व की ओर से / Revenue by</b>	:	Shri Vijay Singh, Sr.DR
<b>सुनवाई की तारीख / Date of Hearing</b>	:	25/09/2025
<b>घोषणा की तारीख/Date of Pronouncement</b>	:	25/09/2025

**आदेश / O R D E R**

**Per Bench :**

This is an appeal filed by the assessee against the order of the Ld.CIT(A), Bhubaneswar-2, dated 28.04.2025 for the assessment year 2018-2019.

2. It was submitted by the Learned AR that a synopsis has been filed which is as follows :-

*Before the Hon'ble ITAT-Cuttack Bench*  
*In the matter of* : *Sh. Charanjit Singh Grewal*  
*PAN* : *ABVPG-6677-K*  
*Assessment Year* : *2018-19*  
*ITA No.* : *374/CTK/2025*  
*Subject* : *Synopsis in the captioned matter*  
*and*  
*Request to appear in the hybrid mode.*  
*Date of hearing* : *24/09/2025*

May it please your honours,

1. The captioned matter is listed before honours for tomorrow, i.e. 24/09/2025.

2. In this regard it is most respectfully prayed that the undersigned has already shared the paperbook with the Hon'ble Bench on 27/08/2025, in the last hearing the bench was kind in instructing the undersigned for uploading the paper book on the official website of the Hon'ble ITAT.

3. The instructions as issued have been duly complied and the acknowledgement of the same is enclosed as Annexure 1, for your honours quick reference and records.

### SYNOPSIS

4. Limited issue before your honours relates to disallowance of professional fees to the tune of Rs. 84,97,406/- u/s 40a(ia) (being 30% of the total fees) on the premise that the Appellant has not withheld TDS on these payments/credits.

5. The relevant extracts of the impugned assessment order (relevant at page 10 of the assessment order) are reproduced herein below for your honours quick reference and records:

#### **"d. Legal & professional charges :-**

*From the audited P&L A/cs under scrutiny, it was noted that the assessee has debited an expenses of Rs.2,83,24,687/- under this head. In course of assessment proceedings the assessee was asked through this office notice u/s142(1) dt 04/02/21 served upon him through system about the details of persons to whom such payment was made and whether requisite TDS was made or not. In response to that, the assessee submitted no details thereof. However, one last and final opportunity, by a show cause was given to him through system on 05/04/21 for compliance. But this time also there was no compliance on the part of the assessee.*

*As such in view of the above noncompliance on the part of the assessee it can only be inferred that the assessee has nothing to offer on this issue. Accordingly, since the said expenses was booked through the P&L A/c under scrutiny and no TDS compliance is found to have been made as per Sec. 194J of the Act, 30% of the said expenses i.e. Rs.84,97,406/- is added back u/s 40a(ia) r.w.s 194) of the Act to the total income of the assessee for the year under consideration.*

*[Addition Rs.84,97,406 ]"*

6. Before the Ld. CIT(A) the documents relating to withholding of taxes were filed as additional evidence.

7. During the course of discussion with Ld. CIT(A), it was brought to the notice of the undersigned that inadvertently the TDS return acknowledgements were filed for immediate succeeding financial year and the same needs to be rectified.

8. The undersigned vide written submission dated 21/03/2025 (relevant at page 13 of the paperbook), filed on the portal of the income-tax on 24/03/2025 (relevant at page 10 of the paperbook), uploaded the same alongwith a covering letter, wherein the captioned mistake was rectified. This letter was uploaded on very same page of the portal wherein all the other letters/details were uploaded.

9. The Ld. CIT(A) has not taken this letter (filed on 24/03/2025) on record and has proceeded to pass his order dated 28/04/2025, rejecting the claim of the Appellant, and holding as under:

**"7. Ground No. 5:**

7.1 The appellant has contended that the Assessing Officer has grossly erred in making disallowance/addition to the tune of Rs. 84,97,406/- under sec on 40(a)(ia) read with section 194J of the Act.

7.2 The Assessing Officer noted that the assessee had debited an expenses of Rs.2,83,24,687/- under the head of 'Legal and Professional Charges. In course of assessment proceedings, the assessee was asked through office notice u/s 142(1) dt. 04/02/21 and later through showcause issued on 5.04.2021 about the details of persons to whom such payment was made and whether requisite TDS was made or not. The Assessing Officer recorded that requisite detail was not submitted by the assessee, and hence, he added back 30% of the said expenses i.e Rs.84,97,406/- u/s 40a(ia) r.w.s 194) of the Act to the total income of the assessee for the year under consideration.

7.3 It is seen that during appellate proceedings, the appellant has produced ledger of legal and professional charges but no proof of TDS deducted and deposited has been submitted. The appellant has submitted statement of TDS for FY 2018-19 relevant to AY 2019-20 which is not material to the present proceedings. The appellant has thus, failed to substantiate that TDS was duly deducted on the claimed expenses. Therefore, the addition made is upheld.

**7.4 Ground No. 5 of appeal is dismissed."**

10. It is humbly prayed that the order has been passed without considering the letter which was uploaded on 24/03/2025 and in the order dated 28/04/2025 the Ld. CIT(A) has failed to take the same on record hence, the matter may kindly refer back to the file of Ld.

*CIT(A)/AO for passing of appropriate order after taking the evidence on record and giving the Appellant a right of being heard.*

*Prayer for liberty to appear online*

*11. The liberty to appear online may kindly be bestowed as the undersigned is to assist online as the matter was listed for 08/10/2025 and got preposed to 24/09/2025 and the undersigned is stationed in New Delhi.*

*Prayed accordingly*

*Sd/-*

*Maneesh*

*Counsel for the Appellant*

*CA Maneesh Upneja*

3. It was a submission that certain documents had been filed before the Learned CIT(A) as mentioned in the synopsis but the same has not been considered and the appeal of the assessee has been dismissed. It was a prayer that the issues in the appeal may be restored to the file of the Learned CIT(A). It was fairly admitted that these evidences were fresh evidences.

4. In reply, the Learned Senior DR did not raise any serious objection to the issues being restored to the file of the Learned CIT(A) for re-adjudication.

5. Considering the submissions of the assessee as also the synopsis as it has been filed by the assessee and the acceptance of the same by the Learned Senior DR, we are of the view that the issues in this appeal must be restored to the file of the Learned CIT(A) for re-adjudication after considering all the evidences that have been filed by the assessee and we do so. The assessee shall be given adequate opportunities of being heard.

6. In the result, the appeal of the assessee is partly allowed for statistical purposes.

Order dictated and pronounced in the open court on 25/09/2025.

**Sd/-**

(राजेश कुमार)  
**(RAJESH KUMAR)**

लेखा सदस्य/ **ACCOUNTANT MEMBER**

**Sd/-**

(जार्ज माथन)  
**(GEORGE MATHAN)**

न्यायिक सदस्य / **JUDICIAL MEMBER**

दिनांक Dated 25/09/2025

*Prakash Kumar Mishra, Sr.P.S.*

**आदेश की प्रतिलिपि अग्रहित/Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant-
2. प्रत्यर्थी / The Respondent-
3. आयकर आयुक्त(अपील) / The CIT(A),
4. आयकर आयुक्त / CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, कटक / DR, ITAT, Cuttack
6. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//

आदेशानुसार/ BY ORDER,

(Assistant Registrar)

आयकर अपीलीय अधिकरण, कटक/ITAT, Cuttack