

आयकर अपीलीय अधिकरण, 'ए' न्यायपीठ, चेन्नई
IN THE INCOME-TAX APPELLATE TRIBUNAL 'A' BENCH, CHENNAI
श्री एस.एस. विश्वनेत्र रवि, न्यायिक सदस्य एवं श्री एस.आर. रगुनाथा, लेखा सदस्य के समक्ष
Before Shri S.S. Viswanethra Ravi, Judicial Member &
Shri S.R. Raghunatha, Accountant Member

आयकर अपील सं./I.T.A. No.1606/Chny/2025
निर्धारण वर्ष/Assessment Year: 2017-18

Kangayam Chennpalanisamy,
No. 78, Cheran Towers, Arts College
Road, Coimbatore 641 018.

Vs. The Income Tax Officer,
Corporate Ward 2,
Coimbatore.

[PAN:AFEPP8162K]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri Shreyansh Kumar Kochar, C.A.
प्रत्यर्थी की ओर से/Respondent by : Shri C. Sivakumar, Addl. CIT
सुनवाई की तारीख/ Date of hearing : 21.08.2025
घोषणा की तारीख /Date of Pronouncement : 11.11.2025

आदेश /O R D E R

PER S.S. VISWANETHRA RAVI, JUDICIAL MEMBER:

This appeal filed by the assessee is directed against the order dated 27.03.2025 passed by the Id. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre [NFAC], Delhi for the assessment year 2017-18.

2. The assessee raised 6 grounds of appeal amongst which, the only issue emanates for our consideration as to whether the Id. CIT(A) is justified in confirming the disallowance made by the Assessing Officer on account of agricultural income.

3. It is noted that the assessee claimed agricultural income to the tune of ₹.71,06,500/- and in order to verify the same, the Assessing officer asked the details in substantiating the said claim. According to the Assessing officer, the assessee is having approximately aggregating to total 10 acres of agricultural land vide patta and not for non-production of any receipt nor invoice in support of agricultural income and expenses, disallowed the said claim by treating the same as non-agricultural income. The Id. CIT(A) vide para 6 of the impugned order confirmed the same.

4. According to the Id. AR Shri Shreyansh Kumar Kochar, CA submits that all along for AYs 2016-17, 2018-19, 2019-20 and 2020-21, the Revenue accepting the returned income with the claim of agricultural income, except for AY 2016-17, disallowance made on account of difference in the yield per acre with respect to sugarcane produce and drew our attention to the assessment orders placed on record in the form of paper book. The Id. AR prayed to delete the addition made towards disallowance of agricultural income.

5. The Id. DR Shri C. Shivakumar, Addl. CIT supported the order passed by the Id. CIT(A).

6. We have heard both the parties and perused the material available on record. On perusal of the assessment proceedings for AY 2016-17, we

note that the assessee claimed agricultural income at ₹.69,04,500/-, but, however, the Assessing Officer restricted to ₹.54,60,000/- being the difference in sugarcane yield at 60 metric tonnes per acre vide his order dated 28.12.2018. Therefore, it is clear that there was no disallowance in the AY 2016-17 except minor variation on yielding of sugarcane produce per acre. Further, it is noted that for AYs 2018-19 and 2019-20, there were no scrutiny proceedings, but, however, the Revenue accepted the returned income with the claim of agricultural income of ₹.81,95,450/- and ₹.78,17,150/- respectively vide intimations. We find that there is no dispute with regard to accepting the returned income with the claim of agricultural income for AY 2018-19 and 2019-20. Further, for AY 2020-21, though it is selected for scrutiny on the basis of large agricultural income, the Revenue accepted the returned income with a claim of agricultural income, which is evident from the order dated 07.07.2022 for AY 2020-21 placed on record vide exhibit 3. Therefore, we find force in the arguments of the Id. AR that all along the Revenue is accepting the claim of agricultural income in the hands of the assessee, but, however, not accepted for the year under consideration only on the reason that no receipts supporting the agricultural activities were furnished before the Assessing Officer. Admittedly, there is no dispute with reference to having holding of agricultural land by the assessee in the year under

consideration and in our opinion, rejecting the claim of agricultural income for non-submission of receipts and invoice for expenditure in support of agricultural activities, confirmed by the Id. CIT(A) is not justified and the addition made thereon is deleted. Thus, the ground raised by the assessee is allowed.

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

Order pronounced on 11th November, 2025 at Chennai.

Sd/-
(S.R. RAGHUNATHA)
ACCOUNTANT MEMBER

Sd/-
(S.S. VISWANETHRA RAVI)
JUDICIAL MEMBER

Chennai, Dated, 11.11.2025

Vm/-

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant,
2. प्रत्यर्थी/ Respondent,
3. आयकर आयुक्त/CIT, Chennai/Madurai/Coimbatore/Salem
4. विभागीय प्रतिनिधि/DR &
5. गार्ड फाईल/GF.