

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़
IN THE INCOME TAX APPELLATE TRIBUNAL
DIVISION BENCH, 'DB' AMRITSAR

BEFORE SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER &
SHRI UDAYAN DASGUPTA, JUDICIAL MEMBER

आयकर अपील सं./ ITA No. 276/ASR/2025

निर्धारण वर्ष / Assessment Year: 2017-18

Tejvir Singh Maness, BX 11/398, No.4, New Harindera Nagar Punjab 151203	Vs	ITO, Ward 1, Faridkot
स्थायी लेखा सं./PAN NO: BASPM7258R		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

VIRTUAL HEARING

Assessee by : None (Adjournment application)]
Revenue by : Sh. Charan Dass, Sr. DR

Date of Hearing : 03.02.2026
Date of Pronouncement : 05.02.2026

ORDER

Per Udayan Dasgupta, J.M.:

This appeal is filed by the assessee against the order of the Id. CIT (A) NFAC, Delhi dated 08.01.2025, passed u/s 250 of the Income Tax Act, 1961(*henceforth the Act*) which has emanated from the order of the AO (*assessment unit*) dated 04.09.2021 for AY 2017-18 passed u/s 147 of the Act.

2. The assessee filed an application *in mail* seeking adjournment to file synopsis of submissions, but there was no physical or virtual

presence either by the assessee or his counsel and after considering the materials on record, SOF and the grounds of appeal, the adjournment is rejected by the bench and we proceed to dispose of the appeal on merits after hearing the Ld DR.

3. Condonation of delay: This appeal is belatedly filed by six days and the assessee has filed an affidavit explaining the delay due to *non-cooperation of his previous counsel*, and considering the reasons therein, we condone the delay and admit the appeal to be decided on merits.

4. Brief facts emerging from records are that the assessee is a legal practitioner and has filed his return under the deeming provisions of section 44ADA of the Act disclosing professional income @ 50% (*or more*) of gross professional receipts for the FY 2016-17. The break-up of gross receipts as per the return filed by the assessee was disclosed at *Rs. 4,90,000/- from Siminder kaur / Vaneet Singh, Rs. 5 lakhs from one M/s Barnala Developers and Rs. 15,650/- as fees for miscellaneous work (totalling Rs.10,05,650/-)* , against which the income was disclosed at Rs.5,14,550/-, which is covered by the presumptive section u/s 44ADA. However, the AO initiated reassessment proceedings on the basis of information available that the assessee has received Rs.4,90,000/- from *Siminder Kaur vs Vaneet Singh (Rs. 3 lakhs in August 2016 plus Rs. 1.90 lakhs in October 2016)* and a further amount of Rs. 5 lakhs on

20/07/2017, (*which of course relates to subsequent assessment year*) , and arrived at a conclusion that a lawyer commanding such high fees in the court, must have earned much more than what is actually disclosed in return, and made an addition of Rs. 4.90 lakhs to the returned income, against which the matter was carried in first appeal. In first appeal submissions filed by the assessee explained the fact that the disputed amount added back by the AO Rs. 4.90 lakhs being the fees received from *siminder Kaur matter*, has already formed a part of the gross professional receipts of Rs. 10.05 lakhs, in the return filed and there are no materials or documents or any evidence in possession of the AO, to arrive at a conclusion that professional receipts has been suppressed and in absence of any documentary evidence to prove the existence of any additional receipts no additions are justified on presumption and suspicion no matter how strong the same may be and the assessee requested for deletion of the addition. However, the Ld CIT (A) dismissed the appeal in absence of full details of daily transaction of cash and confirmation of all parties, cash receipts memo, and other particulars.

5. The Ld DR relied on the order of the Ld CIT (A) .

6. We have considered the materials and heard the Ld DR and we are of the opinion that presumptions and assumptions no matter how strong it may be, cannot form the basis of any addition, unless

supported by evidence and the information already in possession of the AO regarding the assessee quantum receipts are already covered by the total receipts declared in the return by the assessee and the assessee in this case has opted for presumptive taxation , u/s 44ADA , which is the sole prerogative of the assessee and has disclosed income more than the prescribed rate of 50% , and as such the same is legally acceptable. As such the addition of Rs. 4.90 lakhs made by the AO and sustained in first appeal is hereby deleted.

7. In the result the appeal of the assessee is allowed.

Order pronounced on 05.02.2026.

Sd/-
(MANOJ KUMAR AGGARWAL)
ACCOUNTANT MEMBER
“rkk”

Sd/-
(UDAYAN DASGUPTA)
JUDICIAL MEMBER

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

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्ड फाईल/ Guard File

आदेशानुसार/ By order,
सहायक पंजीकार/ Assistant Registrar