

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DEHRADUN “DB” BENCH: DEHRADUN**

**BEFORE SHRI YOGESH KUMAR U.S., JUDICIAL MEMBER &  
SHRI MANISH AGARWAL, ACCOUNTANT MEMBER**

**ITA No.223/DDN/2025  
[Assessment Year : 2017-18]**

Pradeep Sharda 7, Inder Road, Dehradun Uttarakhand -248001 <b>PAN-ADWPS5692K</b>	vs	ACIT Circle-1(2)(1) Dehradun Uttarakhand
<b>APPELLANT</b>		<b>RESPONDENT</b>
<b>Appellant by</b>	Shri Anil Jain, Adv.	
<b>Respondent by</b>	Shri Amar Pal Singh, Sr.DR	
<b>Date of Hearing</b>	12.03.2026	
<b>Date of Pronouncement</b>	25.03.2026	

**ORDER**

**PER BENCH:**

The present appeal is filed by assessee against the order dated 24.09.2025 passed by Ld. Commissioner of Income Tax (A)/ADDL/JCIT(A)-1, Nashik [“Ld. CIT(A)”] in Appeal No. CIT(A), Dehradun/10344/2019-20 u/s 250 of the Income Tax Act, 1961 [“the Act”] arising out of assessment order dated 01.11.2019 passed u/s 143(3) of the Act pertaining to Assessment Year 2017-18.

2. Brief facts of the case are that assessee is a practicing Doctor and e-filed his return of income, declaring total income of INR 2,16,70,906/- on 30.10.2017. The assessment was completed u/s 143(3) of the Act by making additions of INR 15,84,870/- comprising of the disallowance u/s 40(a)(ia) of the Act of INR 5,05,195/- and treating the agricultural income of INR 6,25,000/- as unexplained

money u/s 69A of the Act and of INR 4,54,675/- as the addition u/s 68 of the Act on account of cash credit.

3. In first appeal, Ld. CIT(A) has deleted the addition of INR 4,54,675/- made u/s 68 of the Act and confirmed the addition of INR 6,25,000/- made on account of agricultural income treated as undisclosed income and disallowance made u/s 40(a)(ia) of the Act of INR 5,05,195/-.

4. Before us, in respect of **Ground of appeal No.2**, Ld.AR regarding disallowance u/s 40(ia) of the Act, ld. AR for the assessee drew our attention to the ledger account of interest paid to Pradeep Sharda HUF where TDS was deducted of INR 50,520/- and also filed copy of TDS return. Ld. AR further submits the copy of Form 26AS statement of the recipient Pradeep Sharda HUF wherein TDS made by assessee is duly reflected therefore, requested for the deletion of the disallowance so made.

5. On the other hand, Ld. Sr. DR for the Revenue supported the orders of the lower authorities and submits that it is a matter of verification which could be done by the AO and thus requested for remand this issue to the AO.

6. Heard the contentions of both parties and perused the material available on record. From the perusal of the details filed by the assessee, it is observed that the assessee has deducted tax at source on the payment of interest and was duly deposited in the account of central government which facts is further verifiable from 26AS

statement of the recipient. In view of these facts, disallowance made by the AO is hereby, deleted. Ground of appeal No.2 raised by the assessee is thus, allowed.

7. **Ground of appeal No.3** raised by the assessee is with respect to addition of INR 6,25,000/- treated as agricultural income as unexplained money.

8. Before us, Ld.AR for the assessee submits that assessee's father, Shri Satish Chandra Sharda owned large area of land where the Apples and other fruits are grown. After his death, the assessee received his share of 7,500 apple trees and filed all the relevant details of the ownership of land and the "Udyan Card" where total 7500 no. of apple trees in the name of assessee are appearing. The assessee also filed WILL of his father and Death Certificate in support of the ownership of agricultural land. It is submitted that merely because in preceding assessment year, lower income from the agriculture activity was declared, the AO has doubted the large income declared in the year under appeal. Ld. AR further submits that in year ended on 31.03.2014 relevant to AY 2014-15, assessee declared agricultural income of INR 18,80,013/- and in AY 2015-16, declared agricultural income of INR 17,11,428/-. However, due to bad crop in immediately preceding year only INR 3,00,000/- was earned by the assessee. Ld. AR submits that the AO has not doubted the merely ownership of Apple trees by the assessee nor any enquiry was made from the parties to whom apples were sold and merely by alleging that in preceding year, agricultural income was shown less,

the income declared in the year under appeal was doubted. Ld. AR thus prayed for the deletion of addition made.

9. On the other hand, Ld. Sr. DR for the Revenue vehemently supported the orders of the lower authorities and requested for the confirmation of the same.

10. Heard the contentions of both parties and perused the material available on record. From the perusal of the facts and details filed before us, it is observed that assessee is having ownership of 7,500 number of apple tress received under WILL from his father which facts has not been denied by the Revenue. It is also a matter of fact that except for immediately preceding year, in other preceding assessment years i.e. in AY 2014-15 & 2015-16, assessee has disclosed agricultural income of around INR 17 Lakhs and the same was accepted by the Revenue without any doubts. Merely because in the immediately preceding assessment year, agricultural income was declared less, this alone could not be made basis for holding the agricultural income received during the year from sale of apples as undisclosed income without bringing any corroborative material on record.

11. In the light of above facts where the agricultural income declared by the assessee is duly backed by necessary land holding and therefore, the addition made is hereby, deleted. Accordingly, Ground of appeal No.3 raised by the assessee is deleted.

12. In the result, the appeal of the assessee is allowed.

Order pronounced in the open Court on 25.03.2026.

**Sd/-**

**(MANISH AGARWAL)**  
**ACCOUNTANT MEMBER**

**Sd/-**

**(YOGESH KUMAR U.S.)**  
**JUDICIAL MEMBER**

**Date-25.03.2026**

*\*Amit Kumar, Sr.P.S\**

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ASSISTANT REGISTRAR  
ITAT, NEW DELHI  
(Dehradun Circuit Bench, Dehradun)