Principal Commissioner of Income Tax-1 v. Mohd Ayaz

INCOME TAX APPEAL No. 13 of 2025

Supplied court order; reported citation not indexed | 2025-12-10

The appeal was admitted, listing fixed for 29 January 2026, and paper books directed within six weeks.

40A(3)

Allahabad High Court | Division Bench | Shekhar B. Saraf | Rajeev Bharti

Assessment years:

01 FACTS OF THE CASE

Revenue challenged deletion of a Section 40A(3) addition. The admitted questions identify Rs.6,68,97,549 and disputed proof of cash payments and Rule 6DD coverage.

Source: PDF p.1, admitted questions 1–3

02 DISCUSSION BY THE HON'BLE COURT

Five questions concerned identification of prohibited payments, alleged perversity, documents, estimated disallowance and cited Supreme Court decisions. The order frames issues rather than deciding alleged evidentiary failures.

Source: PDF pp.1–2, admitted questions 1–5

03 JUDICIAL DECISION

The appeal was admitted, listing fixed for 29 January 2026, and paper books directed within six weeks.

Source: PDF p.2, paragraphs 3–4

04 OUTCOME / IN WHOSE FAVOUR

The dispute proceeded to hearing; no addition was restored or deleted by this order.

Source: PDF pp.1–2

05 EXPERT COMMENTS

AKHB EXPERT COMMENTS — editorial analysis, distinct from the Court's findings.

Admission preserves an evidentiary dispute — The five questions place the assessing officer's identification of prohibited cash payments alongside the assessee's supporting documents and claimed Rule 6DD coverage. Their wording contains Revenue's allegations about missing corroboration and perversity. Admission does not establish those allegations or restore the Rs.6,68,97,549 addition.

Prepare the comparison the questions require — The assessment findings, Tribunal reasoning, payment particulars and exception documents must be read together. This is particularly important to distinguish a disallowance based on identified transactions from the estimated approach challenged in the questions. The six-week paper-book direction provides the procedural setting for that comparison.

Authorities within a question are not an answered ratio — Attar Singh Gurmukh Singh and Choudhary Transport appear in the admitted questions. The order does not apply them to decide this dispute. No conclusion that section 40A(3) always permits estimation, or that Rule 6DD was satisfied here, follows from this admission order. The assessment year and any later answer require separate evidence.

Source: PDF p.1

SOURCE & VERIFICATION

Supplied court order - exact individual source bytes verified

Complete supplied 2-page original read and every page visually inspected; original PDF bytes verified by SHA-256 against the review ledger. Only source-identified provisions and assessment years are indexed. No PAN is stated. No current-law clearance is claimed.

Open cited source rendition

All 2 source pages read and visually inspected; exact original SHA-256 verified.

STATUTORY SCOPE

Only source-identified provisions are recorded. No current monetary threshold, current statutory equivalence or 2025 Act applicability is inferred.

LATER TREATMENT

Source checked 2026-10-21. Subsequent proceedings and current precedential treatment have not been comprehensively verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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