

METHODS DEPLOYED BY REVENUE FOR MAKING HIGH PITCHED ASSESSMENTS

- 1) The Assessment Orders are drawn in complete violation of principles of natural justice.
- 2) The Revenue has denied inspection of material used in the framing of the assessment order and providing copies of such material.
- 3) That wherever the assessee has asked for an opportunity of cross examination of authors and providers of the material relied upon for framing the assessment order, the same has also been denied.
- 4) The assessee's right to secure evidence lying in the hands of third parties has been denied despite legitimate requests to issue summons u/s 131 to obtain such evidence.
- 5) The Assessing Officer has deliberately failed to cause enquiry and to ascertain truth wherever it was possible to do so as to make assumptions and presumptions and thereby make high pitched additions.
- 6) The Assessing Officer has deliberately failed to make out his case so that the assessee cannot meet a rebuttal.
- 7) That though the provisions of the IT Act provide for it the Assessing Officer has deliberately failed to seek explanations of the assessee before additions are made (e.g. Section 69 and other deeming provisions).
- 8) Despite having a duty the Assessing Officer has deliberately ignored recording or dealing with the explanations and submissions of the assessee and therefore passed orders which are not reasoned.
- 9) The Assessing Officer has deliberately rejected valid explanations given by the assessee to make high pitched additions.
- 10) The Assessing Officer has made additions based on presumptions, conjectures and surmises even where it was possible to ascertain facts.
- 11) The Assessing Officer has made presumption to make high pitched additions without adducing any evidence in support thereof.
- 12) The Assessing Officer in several cases made presumptions for making the additions which are contrary to evidence on record and ignoring ground realities.
- 13) The Assessing Officer has rejected the reliable evidence of Books of Accounts with a view to sustain patently high pitched additions.
- 14) The Assessing Officer has rejected books of accounts even after they were directed to be considered by superior authorities viz. Hon'ble ITAT.
- 15) The Assessing Officer has invoked the deeming provisions of the IT Act without any valid justification and incorrectly applied them so as to make high pitched assessment.

- 16) The Assessing Officer has made several additions without raising any queries or disclosing the proposed additions so that the assessee is not able to rebut the same.
- 17) The Assessing Officer instead of discharging his onus has shifted it on the assessee by asking him to verify the accuracy of the compilations of data made by the department without disclosing the original material to the assessee on which basis the department had compiled the data.
- 18) The Assessing Officer has deliberately reserved a large number of crucial queries and raised them at the fag end of the assessment and progressively raise greater queries towards the end of time barring assessment to create a record but to deprive the assessee of an opportunity to rebut them.
- 19) The Assessing Officer has made multiple additions for the same set of transactions both in the hands of brokers as well as clients.
- 20) The Assessing Officer has assessed the brokerage firms for transactions undertaken for and on behalf of clients by presuming that all such transactions are undertaken for self.
- 21) The Assessing Officer has deployed and changed the methods of assessment for the same assessee year after year.
- 22) The Assessing Officer has ignored / violated the binding judgments of superior and higher courts without assigning any valid reasons.
- 23) While the law postulates making a best judgment by estimating an income particularly taking into account the incomes earned in prior years but by abusing the discretionary powers the Assessing Officer has penalised the assessee by making a worst possible estimate.
- 24) The Assessing Officer has violated well settled law and principles governing framing of best judgment assessments.
- 25) The Assessing Officer has painted the assessee as a deliberate defaulter and created a record of non compliance so as to use it as an excuse and a license to make a high pitched additions.
- 26) The Assessing Officer has unjustifiably opposed applications for adducing additional evidence at the appellate stage though he knew very well the abnormal conditions prevailing with the assessee.
- 27) The Assessing Officer has denied credits for taxes already paid.
- 28) The Assessing Officer has disallowed legitimate expenses.
- 29) The Assessing Officer has at several places used consolidated figures in the Assessment Order without providing for its breakup or explaining the method and itemised break up of its computation so that assessee is denied an opportunity to rebut the false additions.
- 30) The assessee has not been granted insufficient time by the Assessing Officer to meet the queries and rejected the legitimate applications for seeking time for making compliance.
- 31) The Assessing Officer when sees that the assessee has started making compliance then prematurely closed the assessment proceedings despite having time on hand.
- 32) The Assessing Officer stopped accepting submissions and evidence well before the finalisation of assessment order though the law

stipulates that evidence and submissions are bound to be accepted and taken into account till the order is signed.

- 33) The Assessing Officer resorted to backdating of the order for A.Y. 1992-93 in order to shut out submissions and evidence.
- 34) The Assessing Officer has sought enhancement of the income at the appellate stage by incorrectly applying / invoking the provision for enhancement of income.
- 35) The Assessing Officer has made several large but totally incorrect additions by adopting the highest rates of stock prices prevailing at the end of the year.
- 36) The Assessing Officer has made several large but totally incorrect additions by not taking into account public information available relating to stock prices, terms of instruments such as conversion, ignoring bonus issue, etc.
- 37) The Assessing Officer has levied interest where it is not leviable in terms of the law already laid down by the Hon'ble Special Court and the Hon'ble Supreme Court of India.
- 38) The Assessing Officer has taken contrary stands to the stand taken by the revenue before the Hon'ble Special Court.
- 39) The Assessing Officer has made presumptions that the shares are already sold by the notified entities at the highest prices prevailing on 31.3.1992 even where the shares are not sold but in fact disclosed and handed over to the Custodian under the orders of Special Court. The Presumption of sale is made contrary to the evidence collected by the revenue that shares have been registered in the year 1993-94 in names of several third parties.
- 40) The Assessing Officer has met certain large additions by doing a joint assessment of the three brokerage firms which is not permissible.