

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ “एकल” चण्डीगढ़
IN THE INCOME TAX APPELLATE TRIBUNAL, CHANDIGARH
BENCH “SMC” CHANDIGARH

श्री संजय गर्ग, न्यायिक सदस्य
BEFORE: SH. SANJAY GARG, JUDICIAL MEMBER

आयकर अपील सं./ ITA No.1191/CHD/2024

निर्धारण वर्ष / Assessment Year : 2009-10

Shri Manjinder Singh Grewal, # 95, Bhupal, Jagraon.	बनाम	The Addl/DCIT, Ludhiana.
स्थायी लेखा सं./PAN NO: EUHPS0565K		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

निर्धारिती की ओर से/Assessee by : Shri Avneesh Thakur, Advocate and
Shri Yogesh Thakur, CA

राजस्व की ओर से/ Revenue by : Dr. Ranjit Kaur, Addl. CIT, Sr.DR

सुनवाई की तारीख/Date of Hearing : 03.11.2025

उद्घोषणा की तारीख/Date of Pronouncement : 04.11.2025

HYBRID HEARING

आदेश/ORDER

The present appeal has been preferred by the assessee against the order dated 11.10.2024 of the Commissioner of Income Tax (Appeals) NFAC, Delhi [in short ‘the CIT (Appeals)] pertaining to 2009-10 assessment year.

2. The assessee in this appeal is aggrieved by the action of CIT (Appeals) in confirming the penalty levied by the

Assessing Officer (in short 'the AO') u/s 271D of the Income Tax Act, 1961 (in short 'the Act').

3. The brief facts of the case are that the AO noticed that assessee had received Rs.20 lacs in cash during the Financial Year 2008-09, which was deposited in his bank account maintained with Kotak Mahindra Bank on 10.05.2008. The AO observed that the assessee had violated the provisions of Section 269SS of the Act by accepting loan or deposit in cash greater than Rs.20,000/-. He, therefore, show caused the assessee in this respect. The assessee explained before the AO that the father of the assessee Shri Roop Singh had entered into a contract for sale of his land with one Shri Pardeep Singh S/o Shri Maggar Singh and received Rs.20 lacs from him as earnest money. Since his father was an agriculturist, who did not have any operating bank account, therefore, the said amount of Rs.20 lacs was deposited by him into the account of the assessee for a short duration, only for the purpose of safety and security. That the amount was withdrawn and paid back to him just after 5 days of the deposit. It was, therefore, submitted that the aforesaid deposit of Rs.20 lacs into the account of the assessee was not any loan or deposit and hence, the assessee had not done anything in contravention of the

provisions of Section 269SS of the Act. It was, therefore, pleaded that it was not a case of levy of penalty u/s 271D of the Income Tax Act. The AO, however, did not get satisfied with the above reply of the assessee and levied the impugned penalty, which has been further confirmed by the CIT (Appeals).

4. I have heard the rival contentions and gone through the record. The assessee has duly explained that his father was an agriculturist who did not have any operating bank account. It has also been duly explained that his father had received earnest money on account of sale of land which, for the very short period was parked into the account of the assessee for the purpose of safety and security. The above plea of the assessee has not been rebutted by the Revenue. In view of this, it is not a case of levy of penalty u/s 271D of the Act and the same is, accordingly, ordered to be deleted.

5. In the result, appeal of the assessee stands allowed.

Order pronounced on 04th November, 2025.

Sd/-

(संजय गर्ग)

(SANJAY GARG)

न्यायिक सदस्य/ Judicial Member

“Poonam”

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

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

Assistant Registrar