

**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**“B” BENCH, CHANDIGARH**

**PHYSICAL HEARING**

**BEFORE HON’BLE SHRI LALIET KUMAR, JM**  
**AND**  
**HON’BLE SHRI MANOJ KUMAR AGGARWAL, AM**

1. आयकरअपील सं./ ITA No. 770/CHANDI/2024  
(निर्धारणवर्ष / Assessment Year: 2013-14)  
&  
2. आयकरअपील सं./ ITA No. 771/CHANDI/2024  
(निर्धारणवर्ष / Assessment Year: 2013-14)

<b>Shri Taranjeet Singh</b> H. No 279, Tharvi, Pirthala Tohana, Fatehabad-125120	<b>बनाम/ Vs.</b>	<b>ITO</b> Ward -1 Fatehabad						
स्थायीलेखासं./जीआइआरसं./PAN/GIR No. <b>APVPT-2307-M</b>								
(अपीलार्थी/ <b>Appellant</b> )	:	(प्रत्यर्थी / <b>Respondent</b> )						
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**आदेश / O R D E R**

**Manoj Kumar Aggarwal (Accountant Member)**

1. In the captioned appeals for Assessment Year (AY) 2013-14, the assessee is aggrieved by confirmation of quantum addition and levy of consequential penalty u/s 271(1)(c). First, we take up quantum appeal ITA No.770/Chandi/2024 which arises out of an order passed by learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre

(NFAC), Delhi [CIT(A)] on 29-05-2024 in the matter of an assessment framed by Ld. Assessing Officer [AO] u/s. 147 r.w.s. 144 of the Act on 27-08-2021. The Ld. AR advanced arguments on legal grounds as well as on merits. The Ld. Sr. DR also advanced arguments supporting the orders of lower authorities. Having heard rival submissions and upon perusal of case records, the appeal is disposed-off as under. The assessee being resident individual is stated to be carrying out agricultural operations for the past more than 20 years.

2. The assessee did not file return of income. However, it transpired that the assessee made cash deposit in his savings bank account and accordingly, the case was reopened as per due process of law and notice u/s 148 was issued on 24-03-2020. The assessee filed defective return. It was noted that the assessee deposited cash of Rs.33 Lacs out of which Rs.24.82 Lacs was attributed to sale consideration of agricultural land held in the name of assessee's wife. The remaining deposits were attributed to past savings. The assessee pleaded that no bank account was maintained by his wife and the receipts were directly deposited in assessee's bank account. The sale consideration was stated to be received in cash on 14-05-2012 and the deposits were made on the same very date. The copy of the sale deed was furnished to Ld. AO in support of the same. However, Ld. AO did not accept the same since the assessee did not furnish PAN and email ID of the purchaser. The claim that the assessee earned agricultural income was also rejected since deficiencies were found in Form-J as submitted by the assessee. The assessee did not file confirmation of accounts, details of agricultural

receipt etc. For the said reasons, the explanation was rejected and amount of Rs.33 Lacs was added to the income of the assessee. The Ld. CIT(A) confirmed the assessment against which the assessee is in further appeal before us.

3. Upon perusal of sale deed executed by assessee's wife (Page Nos.209 to 217 of paper-book), it could clearly be seen that the assessee's wife has sold the agricultural land against sale consideration of Rs.24,82,500/- on 14-05-2012 and the deposits have been made in assessee's bank account on the same very date. It is not in dispute that the assessee's wife did not held any bank account during this year. The Ld. AO has merely rejected the claim on the ground that that the assessee did not furnish PAN and email id of the purchaser. As against this, the claim of the assessee is backed by duly registered sale deed which is to be accepted. Therefore, the addition to that extent could not be held to be justified.

4. So far as the remaining addition of Rs.8,17,500/- is concerned, it could be seen that the assessee carries out agricultural operations since past more than 20 years. In such a case, accumulation of past savings and income from agricultural operations in the current year could not, altogether, be ruled out. Considering the background of the assessee, the claim of the assessee, to this extent, is also to be accepted. We order so. In other words, the impugned addition of Rs.33 Lacs stand deleted. The legal ground as urged by Ld. AR has been rendered mere academic in nature.

5. In ITA No.271/Chandi/2024, the assessee has assailed levy of consequential penalty for Rs.15 Lacs. Since, quantum addition has already been deleted by us in the preceding paragraph, the consequential penalty would not survive. We order so.

6. Both the appeals stand allowed.

Order pronounced on 01-07-2025.

*Sd/-*  
**(LALIET KUMAR)**  
**JUDICIAL MEMBER**

*Sd/-*  
**(MANOJ KUMAR AGGARWAL)**  
**ACCOUNTANT MEMBER**

Dated: 01-07-2025.

**आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF

ASSISTANT REGISTRAR

ITAT CHANDIGARH