

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'E', NEW DELHI**

**BEFORE SH. S. RIFAUR RAHMAN, ACCOUNTANT MEMBER
AND
SH. SUDHIR KUMAR, JUDICIAL MEMBER**

ITA No.1229/Del/2025
Assessment Year: 2013-14

Amar Singh (Through legal heir Jitender) Garhi Alawalpur VTC Garhi Alawalpur P.O. Maheshwari Sub District Rewari Haryana 123106 Pan No. CWNPS5973H	Vs	ITO ward-2 Rewari
(APPELLANT)		(RESPONDENT)

Appellants by	Ms.Sumangla Saxena, Advocate
Respondent by	Sh. Dheeraj kumar Jain, Sr. DR.

Date of hearing:	14/08/2025
Date of Pronouncement:	20/08/2025

ORDER

PER SUDHIR KUMAR, JM:

This appeal by the assessee is directed against the order of National Faceless Appeal Centre/ Commissioner of Income Tax (Appeals), Delhi, [hereinafter referred to as "CIT(A)"], vide order dated 10.02.2025 pertaining to A.Y. 2013-14 and arises out of the penalty order dated 20-03-2020 passed by the Assessing

Officer under Section 271(1)(c) of the Income Tax Act, 1961 [hereinafter referred as 'the Act'].

2. The assessee has raised the following grounds of appeal :-

1. *That the Ld. CIT(A),NFAC Delhi has grossly erred in law as well as on facts in sustaining the penalty levied by Ld. AO u/s 271(1) (c) of the Act amounting to Rs. 7348050/-.*

2. *That the appellant craves leave to add, alter, amend or withdraw all or any grounds herein or add any further grounds as may be considered necessary either before or during the hearing of these grounds.*

3. The brief facts of the case are that the assessee is an individual and farmer by profession. For the year in concern the assessee sold agriculture land which was ancestral property and utilized the sale proceeds for purchasing of agriculture land in the name of his two sons and his wife and construction of a residential house. Notice u/s 148 of the Act was issued by ITO Rewari on 26-03-2014 after recording reasons that the assessee has sold immovable property valued at Rs.5,96,62,500/-. The Assessing officer completed the assessment u/s.143(3) of the Act determining the income of Rs. 3,59,20,152/-on account of Long- Term Capital Gain and penalty proceedings u/s 271(1)(c) of the Act, was also initiated. After considering the submission made by the assessee the Assessing officer held that the assessee was having an income of Rs. 3,59,01,562/- during the year from under the head Long- Term Gain and assessee has

concealed the particular of income and levied the penalty of Rs. 73,48,050/- on the assessee. Aggrieved by the order of the AO the assessee filed the appeal before the NFAC/CIT(A), who vide his order dated 10-02-2025 dismissed the appeal against which the assessee is in appeal before the Tribunal.

4. The Ld. AR has submitted that the penalty order passed by AO is bad in law because the addition made by Assessing officer have been deleted by the Hon'ble Tribunal by order dated 25-04-2023, passed in ITA No.115/Del/2019 Amar Sing Vs. Income Tax officer.

5. The Ld. Sr. DR fairly conceded this fact.

6. We have heard the revival contention of the parties and gone through the material available on record. We find that in quantum proceedings the Co-ordinate Bench allowed the appeal of the assessee. Therefore, we hold that penalty order does not survive and same is liable to be quashed and quashed accordingly. The ground raised by the assessee is allowed and penalty order

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

Order pronounced in the open court on 20.08.2025.

Sd/-

(S. RIFAUH RAHMAN)
ACCOUNTANT MEMBER

NEHA, Sr. PS

Date:- 20.08.2025

Copy forwarded to:

1.Appellant

Sd/-

(SUDHIR KUMAR)
JUDICIAL MEMBER

- 2.Respondent
- 3.CIT
- 4.CIT(Appeals)
- 5.DR: ITAT

ASSISTANT REGISTRAR
ITAT NEW DELHI