

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DEHRADUN BENCH, DEHRADUN**  
**Before Sh. Satbeer Singh Godara, Judicial Member**  
**&**  
**Sh. Manish Agarwal, Accountant Member**

**ITA No. 203/DDN/2025 : Asstt. Year: 2013-14**

Ravinder Kumar Agarwal, M/s Agarwal Jewellers, Mukherji Road, Rishikesh, Uttarakhand-249201 (APPELLANT)	Vs	CIT(A)-3, A. R. T.O. Complex, 2 <sup>nd</sup> Floor, Sector-33, Noida, Uttar Pradesh-201301 (RESPONDENT)
<b>PAN No. ABJPA9045P</b>		

**Assessee by : Sh. Nitish Gupta, CA**  
**Revenue by : Sh. A. S. Rana, Sr. DR**

<b>Date of Hearing: 15.01.2026</b>	<b>Date of Pronouncement: 30.01.2026</b>
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**ORDER**

**Per Satbeer Singh Godara, Judicial Member:**

This assessee's appeal for Assessment Year 2013-14, arises against the CIT(A)-3, Noida's DIN & order No. ITBA/APL/M/250/2025-26/1079253888(1) dated 04.08.2025, in proceedings u/s 271(1)(c) of the Income Tax Act, 1961.

2. Heard both the parties at length. Case file perused.
3. We note at the outset that the assessee's sole substantive grievance is directed against both the lower authorities' action levying section 271(1)(c) penalty of Rs.1,72,800/- in the Assessing Officer's order dated 09.03.2021 as upheld in the lower appellate discussion.

4. That being the case, learned departmental representative vehemently argues that the assessee all along had failed to prove source of its investment amounting to Rs.1,01,743/- made in the partnership firm "M/s Satti Real Estate" which made both the lower authorities to treat the said default as amounting to both furnishing inaccurate particulars and concealing particulars of his taxable income.

5. We find no merit in the Revenue's foregoing vehement submissions. This is for the precise reason that once it has come on record that the impugned penalty involves quantum addition of unexplained investment which the assessee could not plead and prove despite having led voluminous detailed evidence, such an instance could not held to be covered under either of the foregoing two limbs attracting u/s 271(1)(c) penalty (supra) in light of CIT vs. Reliance Petroproducts (P) Ltd. (2010) 322 ITR 158 (SC). We thus delete the impugned penalty in very terms.

6. This assessee's appeal is allowed.

Order Pronounced in the Open Court on 30/01/2026.

Sd/-  
**(Manish Agarwal)**  
**Accountant Member**  
**Dated: 30/01/2026**

\*Subodh Kumar, Sr. PS\*

Sd/-  
**(Satbeer Singh Godara)**  
**Judicial Member**