

IN THE INCOME TAX APPELLATE TRIBUNAL "A" BENCH, KOLKATA

**BEFORE SHRI RAJESH KUMAR, AM
AND
SHRI PRADIP KUMAR CHOUBEY, JM**

**ITA Nos. 2845 & 2846/KOL/2025
(Assessment Year:2017-18)**

Amselor Commodity Trade LLP
1 No, Laxmi Bai Path, Steel Co-
operative Ltd, city Centre,
Durgapur, West Bengal-713216

Vs.

Income Tax Officer,
Ward 1(1)
Aaykar Bhawan (Annexe),
Aayakar Bithi, City Centre,
Durgapur, West Bengal-713216

(Appellant)

(Respondent)

PAN No. ABFFA3759G

Assessee by : Shri Prasenjeet Ram, AR
Revenue by : Shri Anup Biswas, DR

Date of hearing: 09.02.2026
Date of pronouncement: 17.02.2026

ORDER

Per Rajesh Kumar, AM:

These are appeals preferred by the assessee against the penalty order of the Commissioner of Income-tax (Appeals), Kolkata-27, (hereinafter referred to as the "Ld. CIT(A)") dated 25.09.2025 for the AY 2017-18.

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2. The issue raised by the assessee is against the order of Id. CIT (A) confirming the penalty as imposed by the Id. AO of ₹5,20,000/- u/s 271D of the Act in respect of amount accepted in violation of Section 269SS of the Act.

3. After hearing the rival contentions and perusing the materials available on record, we find that in this case a survey u/s 133A of the Act was conducted at the business premises of the assessee on 13.02.2019, and the case of the assessee was reopened u/s 147 of the Act by issuing notice u/s 148 of the Act. The Id. AO assessed the income at ₹37,77,420/- in the assessment framed . It was observed during the course of survey as well as during assessment proceedings that assessee accepted an aggregate amount of ₹2,60,000/- in cash from each of the partner Shri Manish Sangwan and Shri Sali Behl. The Additional CIT, Central Range-4, Kolkata treated the same amount as accepted in violation of Section 269SS of the Act by ignoring the fact that the same were introduced by the partners of the assessee LLP as capital introductions. Similarly, Id. CIT (A) confirmed the order of the Id. AO. In our opinion, the Provisions of Section 269SS of the Act are not applicable to the capital contributions by the partners in the assessee, LLP. Therefore, no penalty can be levied u/s 271D of the Act. Consequently, we set aside the order of Id. CIT (A) and direct the Id. AO to delete the penalty. The appeal of the assessee is allowed.

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4. The only issue raised by the assessee is against the penalty of ₹3,02,000/- as imposed by the Id. AO u/s 271E of the Act.
5. After hearing the rival contentions and perusing the materials available on record, we find that the partners of the LLP have withdrawn some money in cash aggregating to ₹3,02,000/- from their capital accounts which were treated by the Id. AO to have been withdrawn in violation of Provisions of Section 269T of the Act and imposed penalty of ₹3,02,000/- u/s 271E of the Act. The Id. CIT (A) confirmed the said penalty order passed by the Id. AO. In our considering view the

provisions of Section 269T are not applicable to the cash withdrawn by the partners and therefore, the order passed by the Id. CIT (A), confirming the penalty order passed by the Id. AO cannot be sustained. Consequently, we set aside the order of Id. CIT (A) and direct the Id. AO to delete the penalty. The appeal is allowed.

6. In the result, the both appeal of the assessee is allowed.

Order pronounced in the open court on 17.02.2026.

Sd/-
(PRADIP KUMAR CHOUBEY)
(JUDICIAL MEMBER)

Sd/-
(RAJESH KUMAR)
(ACCOUNTANT MEMBER)

Kolkata, Dated: 17.02.2026

Sudip Sarkar, Sr.PS

Copy of the Order forwarded to:

1. The Appellant
2. The Respondent
3. CIT
4. DR, ITAT,
5. Guard file.

BY ORDER,

True Copy//

Sr. Private Secretary/ Asst. Registrar
Income Tax Appellate Tribunal, Kolkata