



**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

CR-7649-2025(O&M)
Date of decision: 15.01.2026

Savera

... Petitioner

Versus

Anil Kumar Balhara

... Respondent

CORAM: HON'BLE MR. JUSTICE VIKRAM AGGARWAL

Present: Mr. Amit Jain, Advocate,
for the petitioner.

Mr. Ashwani Bakshi, Advocate,
for the respondent.

VIKRAM AGGARWAL, J. (ORAL)

The instant revision petition, preferred under Article 227 of the Constitution of India, assails the order dated 16.10.2025 (Annexure P-5), passed by the Court of Additional Civil Judge (Sr. Divn.), Hansi, vide which the application (Annexure P-3) moved by the petitioner/defendant for intimating/sending the agreement to sell and receipt dated 21.01.2023 to the Income Tax Department for verification about payment in cash and its source, was dismissed.

2. A suit (Annexure P-1) for specific performance of agreement to sell dated 21.01.2023 was instituted by the respondent/plaintiff (Anil Kumar Balhara) against the present petitioner (Savera), claiming that the petitioner/defendant had agreed to sell land measuring 38 kanals (fully described in the plaint) at the rate of Rs.42,00,000/- per acre to the respondent/plaintiff. At the time of execution of the agreement to sell, the



petitioner/defendant had received Rs.60,00,000/- in cash as earnest money and a receipt was also executed in this regard. It was also averred that subsequently, Rs.10,00,000/- and Rs.15,00,000/- were received in cash on 24.02.2023, and Rs.1,00,000/- in cash on 22.04.2023, and Rs.3,00,000/- through RTGS on 28.04.2023. Some other amounts are also stated to have been paid, details of which have been given in paragraph 2 of the plaint.

3. The suit was opposed by way of written statement (Annexure P-2), wherein it was stated that a sum of Rs.10,00,000/- only had been received in cash.

4. During the course of the trial, an application (Annexure P-3) was moved by the petitioner/defendant for sending the agreement to sell and receipt dated 21.01.2023 to the Income Tax Department for verification of the payment in cash and its source in view of the judgment of the Hon'ble Apex Court in "**The Correspondence RBANMS Educational Institution v. B. Gunashekhar and another**", 2025 AIR SC 2065.

5. The said application was opposed by way of a reply (Annexure P-4) stating that the same is premature, as the defendant had denied the receipt of cash amount and that the said fact would be decided by the Court at the time of final judgment.

6. By way of the impugned order, the application (Annexure P-3) was dismissed by the trial Court holding that the said question would be decided at final stage.

7. I have heard learned counsel for the parties.

8. Learned counsel for the petitioner submits that the trial Court erred in dismissing the application. Reference has been made to the



directions issued by the Hon'ble Supreme Court in The Correspondence RBANMS Educational Institution's case (supra) and it has been submitted that there was no occasion for the trial Court to have been dismissed the said application.

9. Per contra, learned counsel for the respondent/plaintiff submits that the respondent/plaintiff would have no objection if such a reference is made to the Income Tax Department, and even in the reply it has been so stated. Learned counsel further submits that the respondent/plaintiff apprehends that in the garb of the said application, the petitioner/defendant is attempting to delay the decision of the trial Court, which is fixed at the final stage of rebuttal/arguments.

10. I have considered the submissions made by Learned counsel for the parties.

11. The Hon'ble Apex Court issued the following directions in The Correspondence RBANMS Educational Institution's case (supra):-

“18.1 xxx xxx xxx xxx

A) Whenever, a suit is filed with a claim that Rs. 2,00,000/- and above is paid by cash towards any transaction, the courts must intimate the same to the jurisdictional Income Tax Department to verify the transaction and the violation of Section 269ST of the Income Tax Act, if any,

(B) Whenever, any such information is received either from the court or otherwise, the Jurisdictional Income Tax authority shall take appropriate steps by following the due process in law,

(C) Whenever, a sum of Rs. 2,00,000/- and above is claimed to be paid by cash towards consideration for



conveyance of any immovable property in a document presented for registration, the jurisdictional Sub-Registrar shall intimate the same to the jurisdictional Income Tax Authority who shall follow the due process in law before taking any action,

(D) Whenever, it comes to the knowledge of any Income Tax Authority that a sum of Rs. 2,00,000/- or above has been paid by way of consideration in any transaction relating to any immovable property from any other source or during the course of search or assessment proceedings, the failure of the registering authority shall be brought to the knowledge of the Chief Secretary of the State/UT for initiating appropriate disciplinary action against such officer who failed to intimate the transactions.”

12. It is, therefore, clear that whenever a suit is filed with a claim of Rs.2,00,000/- or more, paid in cash, Courts must intimate the same to the jurisdictional Income Tax Department to verify the transactions and any violation of Sections 269ST and 271DA of the Income Tax Act, 1961. The stage of the suit would not be relevant. Still further, reference of the matter to the income tax authorities does not, in any manner, affect the proceedings in the suit.

13. Keeping in view the totality of the facts and circumstances, the instant revision petition is disposed of with a direction to the trial Court to refer the matter to the jurisdictional Income Tax Authorities regarding the claim of payment of all amounts in cash, along with the admission as regards the receipt of Rs.10,00,000/- in cash, in accordance with law.



14. However, it is clarified that such a reference to the Income Tax Authorities shall, in no manner, be construed as a stay of the Court proceedings, and the trial Court shall be free to hear arguments and finally decide the suit.

15. Pending application(s), if any, also stands disposed of.

(VIKRAM AGGARWAL)
JUDGE

January 15, 2026
Rajan

Whether speaking / reasoned:	Yes/No
Whether Reportable:	Yes/No