

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

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER  
AND  
SHRI MANISH AGARWAL, ACCOUNTANT MEMBER**

ITA No.2111/Del/2025  
Assessment Year: 2012-13

Income Tax Officer, Ward-10(1), Delhi	<b>Vs.</b>	Smt. Sunita Gadde, H. No. 16A, DLF, Chhattarpur, New Delhi
<b>PAN: ACMPG4589J</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

**With**

C.O. No.225/Del/2025  
[Arising out of ITA No.2111/Del/2025]  
Assessment Year: 2012-13

Smt. Sunita Gadde, 5A/3A, Ansari Road, Darya Ganj, New Delhi	<b>Vs.</b>	Income Tax Officer, Ward-10(1), Delhi
<b>PAN: ACMPG4589J</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

Assessee by	Sh. Pranshu Goel, CA Sh. Aditya Gupta, Adv.
Department by	Sh. Gouranga Chandra Das, Sr. DR

Date of hearing	10.12.2025
Date of pronouncement	24.12.2025

**ORDER**

**PER SATBEER SINGH GODARA, JM**

This Revenue's appeal ITA No.2111/Del/2025 and assessee's cross objection C.O. No.225/Del/2025 for assessment year 2012-13, arises against the Commissioner of Income Tax (Appeals) [in

short, the “CIT(A)”, Delhi’s-31 DIN and order no. ITBA/APL/S/250/2024-25/1072170381(1), dated 15.01.2025 involving proceedings under section 143(3) r.w.s. 147 of the Income-tax Act, 1961 (hereinafter referred to as ‘the Act’).

Heard both the parties. Case file perused.

2. This Revenue’s appeal ITA No.2111/Del/2025 raises the following substantive grounds:

1. *Whether on the facts and circumstance of the case, the Ld. CIT(A) is correct in allowing relief to the assessee by deleting 1 the addition of Rs. 2,70,50,000/- made by AO on account of cash amount received against sale of property situated at 3, Dera Mandi, Mehrauli, Delhi?*

2. *Whether on the facts and circumstances of the case, the Ld. CIT(A) is correct in allowing relief to the assessee by not considering statement of Sh. Rakesh Sejpal, employce of 2 assessee wherein he admitted that he received cash of Rs. 5.41 Crore in ten to fifteen installments from Sh. Vakamulla Chandrasekhar and his P.A. Sh. Pathak on behalf of M/s Maple Destination Dreambuilt Pvt. Ltd.?*

3. *Whether on the facts and circumstance of the case, the Ld. CIT(A) is correct in allowing relief to the assessee by deleting the addition of Rs. 2,72,50,000/- made by AO on account of cash amount paid by assessee to Nisha Jain and Arora Farms Incha Pvt. Ltd. against purchase of property situated at DLF Farm, Village Chhatarpur, Delhi?*

4. *Whether on the facts and circumstances of the case, the Ld. CIT(A) is correct in allowing relief to the assessee by not considering the document impounded during survey containing details of cash payments made by assessee alongwith her husband for purchase of property from Nisha Jain and Arora Farms India Pvt. Ltd.?*

5. *Whether on the facts and circumstances of the case, the Ld. CIT(A) is correct in deleting the addition of Rs. 2,72,50,000/- by relying upon the decision of the Hon'ble Delhi High Court delivered in the case of assessee with regard to cash amount received from Pawan Goyal*

*whereas the addition was made for unexplained cash given to Nisha Jain and Arora Farms India Pvt. Ltd. for purchase of property.*

6. *The appellant craves leave, to add, alter or amend any ground of appeal raised.*

3. Coming to the first and foremost issue between the parties, it transpires at the outset that the Revenue's endeavour herein is to revive the impugned addition of Rs.2,70,50,000/- made by the Assessing Officer on account of cash amount/on-money received against sale of property at 3, Dera Mandi, Mehrauli, Delhi. We notice that this tribunal's order in the buyer's case i.e. M/s. Maple Destinations & Dreambuild Pvt. Ltd. Vs. DCIT (2024) 162 taxmann.com 157 (Delhi – Trib.) has already settled the issue at rest while concluding that the same was not based on any supportive material. We thus conclude that the very addition sought to be revived in the assessee's/vendor's hands hardly carries any merit. Rejected accordingly.

4. The Revenue's second substantive ground herein is that the CIT(A) has erred in law and on facts in deleting the assessee's cash payments addition of Rs.2,72,50,000/-; vide following detailed discussion:

“17. Through **Ground No. 6**, it is seen that appellant challenges the addition of Rs. 2,72,50,000/- made by the AO vide Para 13.3 of the Assessment Order. Upon perusal of the assessment order, it is seen that the AO has stated that during the year under consideration, the appellant along with his spouse (both having equal share) has made the payment in cash for investment in property bearing address 733/2, Village Chhatarpur, Mehrauli. The observations made by the AO are reproduced hereunder:

12 During the course of assessment proceedings, the assessee was asked to submit the copy of sale deed in respect of above property and source of investments. The assessee vide letter dated 12.12.2019 has submitted that due to default in the property, i.e. the property under consideration has been put under auction by PNB, which was not aware at the purchase intention, the transaction was called off by the parties mutually vide cancellation dated 17.10.2013.

13 The submission and cancellation deed has been perused and not acceptable in view of the following:-

13.1 During the course of survey on Lingaya's Society premises at C 72, Shivalik, Malviya Nager, New Delhi, copy of agreement signed between Smt. Nisha Jain and Gadde family were impounded. On Perusal of these documents, it is found that the agreements were signed for the purchase of above land by Shri Sunita Gadde and her husband Shri Picheswar Gadde from the Jain Family and their entity Aroara Farms India Pvt Ltd for a consideration of Rs.28,76,00,000/-.

Date	Name	Amount	Cash	Cheque (Bank of India)	Account Holder
14.12.2011	Both		1,01,00,000		
14.12.2011	Nisha Jain	5,00,000		000104	S. Gadde
14.12.2011	Nisha Jain	5,00,000		034503	P.Gadde
16.12.2011	Nisha Jain	1,25,000		000106	S. Gadde
16.12.2011	Nisha Jain	1,25,000		034611	P.Gadde
16.12.2011	Neera jain	6,25,000		034612	P.Gadde

*M. Jain*



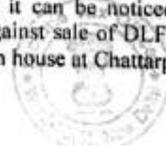
16.12.2011	Neera Jain	6,25,000		000107	S. Gadde
02.01.2012	Both	---	1,00,00,000	---	---
15.02.2012	Sanjay Jain	---	16,00,000	---	---
15.02.2012	Nisha Jain	24,00,000		---	---
07.03.2012	Rakesh Jain	---	15,00,000	---	---
12.03.2012	Rakesh Jain	---	1,00,000	---	---
15.03.2012	---	6,00,000	3,00,000	---	---
19.03.2012	---	---	50,00,000	---	---
23.03.2012	Jain	---	1,00,00,000	---	---
26.03.2012	Jain	---	1,00,00,000	---	---
28.03.2012	Jain	---	50,00,000	---	---

13.2 From the above document, it is clear that some of the amount which has been advanced to Jain Family has been given in cash. On analysis of impounded documents by the Investigation Wing revealed that the cash paid was found to be from the sale proceeds of other farm house by Smt Sunita Gadde and Shri Picheswar Gadde. Details of payment made in cash and source thereof are given below:-

Date	Amount paid in cash to Jain family for purchase of DLF farm House in Rs.	Date	Source of funds which were paid to Jain family	Amount paid in Cash in Rs.
14.12.2011	1,01,00,000	---	---	---
02.01.2012	1,00,00,000	---	---	---
15.02.2012	16,00,000	---	---	---
07.03.2012	15,00,000	---	---	---
12.03.2012	10,00,000	11.03.2012	Sale of DLF farm to Shri Pawan Gupta	11,00,000
15.03.2012	3,00,000	---	---	---
19.03.2012	50,00,000	19.03.2012	Sale of DLF farm to Shri Pawan Gupta	50,00,000
23.03.2012	1,00,00,000	23.03.2012	Sale of DLF farm to Shri Pawan Gupta	1,00,00,000
26.03.2012	1,00,00,000	26.03.2012	Sale of DLF farm to Shri Pawan Gupta	1,00,00,000
28.03.2012	50,00,000	28.03.2012	Sale of DLF farm to Shri Pawan Gupta	1,00,00,000
Total	5,45,00,000			3,61,00,000

13.3 Thus from the above table it can be noticed that some of the cash received as sale proceeds from Shri Pawan Gupta against sale of DLF Farm House has been paid to Jain family members for purchasing another farm house at Chattarpur, Delhi. This also establishes that Smt

*Sunita Gadde*



Sunita Gadde and Shri Picheswar Gadde has received huge amount of cash on account of sale of various farm houses to M/s.Maple Destination & Dreambuild Pvt Ltd, Shri J.S. Kapoor and Shri Pawan Gupta. Thus the total of unaccounted cash advanced to Jain Family amounted to Rs. Rs.5,45,00,000/-, which was received by the assessee and her husband and the assessee's share being 50% comes to Rs.2,72,50,000/-. Hence, an addition of Rs.2,72,50,000/- is being made to total income of the assessee being cash advanced for purchase of land.

**(Addition Rs.2,72,50,000)**

13.4 I am satisfied that the assessee has concealed income of Rs.2,72,50,000/- by way cash advanced for purchase of land for which penalty proceedings under section 271(1)(c) of I.T. Act are initiated.

18. The appellant during the course of hearing has submitted that the transaction was cancelled and to substantiate the same she has placed the cancellation deed(s) on record. Furthermore, the appellant has drawn my attention to Para 13.2 of the Assessment Order wherein the AO had stated that the source of the funds of payment to Jain Family is out of cash received from Shri Pawan Gupta for sale of Chattarpur Farm House. The appellant submits that the contention of the AO that the cash received from Shri Pawan Gupta was used to buy the property bearing address 733/2, Village Chhatarpur, Mehrauli, is flawed. She submits that while framing the assessment order for AY 2013-14, the AO had alleged that the appellant along with her spouse has sold a property to one Shri Pawan Gupta and has received cash amounting to Rs. 22,35,00,000/-. Thus, the AO made the addition of Rs. 11,17,50,000/- (50% of Rs. 22,35,00,000) in the hands of the appellant and other 50% in the hands of her spouse. The appellant submits that the said addition of Rs. 11,17,50,000/- (50% of Rs. 22,35,00,000) stands deleted by the Hon'ble ITAT in the case of *Shri Picheswar Gadde v. Income Tax Officer* [ITA Number 4638/Del/2019]. Furthermore, the Departmental appeal before the Hon'ble High Court of Delhi also stands dismissed. Thus, the appellant submitted that when the ITAT and Hon'ble High Court have held that no cash has been received on account of sale of Chattarpur Farm House from Shri Pawan Gupta then in such a scenario the version of AO that the said cash has been used for making payment to Jain family is untenable and flawed.

19. After a careful perusal of the Assessment Order, the submissions made during the appellate proceedings, and the documentary evidence placed on record, including the Paper Book, it is observed that the Cancellation Deed establishes that the transaction for the purchase of the property was legally rescinded. The AO, despite acknowledging the existence of this Cancellation Deed, failed to provide any valid reasoning for disregarding its legal implications. Moreover, the contention that the cash payment was sourced from a transaction with Shri Pawan Gupta lacks merit, as the addition related to this source has already been deleted by the Hon'ble ITAT, and the Department's appeal against the deletion has been dismissed by the Hon'ble High Court of Delhi. I have, following the order of Hon'ble ITAT and Hon'ble Delhi High Court, also deleted the addition in the case of appellant for AY 2013-14.

20. Therefore, based on the totality of facts and evidence presented, the addition of Rs. 2,72,50,000/- made to the income of

*the appellant is not sustainable in law as well as on facts and is liable to be deleted. I hold accordingly. Hence, the addition of Rs. 2,72,50,000/- made by the AO is hereby **deleted.***”

5. We find no merit in the Revenue’s instant latter substantive ground as well. This is for the precise reason that not only the cash/on-money receipt theory in the assessee’s hands stands already rejected before the tribunal, but also the corresponding land transaction stood cancelled as per the CIT(A)’s detailed lower appellate discussion which has gone unrebutted from the Revenue side. This is indeed coupled with the fact that the very issue appears to have attained finality before this tribunal as well as in the hon’ble jurisdictional high court (supra). Rejected accordingly. The Revenue fails in ITA No.2111/Del/2025 therefore.

The assessee’s cross objection C.O. No. 225/Del/2025 stands rendered academic.

6. To sum up, this Revenue’s appeal ITA No.2111/Del/2025 and the assessee’s cross objection C.O. No. 225/Del/2025 are dismissed. A copy of this common order be placed in the respective case files.

***Order pronounced in the open court on 24<sup>th</sup> December, 2025***

***Sd/-***  
**(MANISH AGARWAL)**  
**ACCOUNTANT MEMBER**

***Sd/-***  
**(SATBEER SINGH GODARA)**  
**JUDICIAL MEMBER**

Dated: 24<sup>th</sup> December, 2025.

*RK/-*

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar, ITAT, New Delhi