

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

**BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT  
AND  
SHRI MANISH AGARWAL, ACCOUNTANT MEMBER**

**ITA No.2371/Del/2025  
(ASSESSMENT YEAR 2012-13)**

**ITA No.2372/Del/2025  
(ASSESSMENT YEAR 2013-14)**

Adel Saini, H.No.32, Purani Chungi Old Faridabad-121001 Haryana. <b>PAN-AYFPS6803A</b> <b>(Appellant)</b>	Vs.	Income Tax Officer, Ward-1(1), Faridabad, Haryana.  <b>(Respondent)</b>
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Assessee by	Ms. Rajkumari, CA
Department by	Shri Khitesh Gupta, Sr. DR
Date of Hearing	25/11/2025
Date of Pronouncement	21/01/2026

**ORDER**

**PER MANISH AGARWAL, AM:**

Both the captioned appeals are filed by the Assessee against the order of Learned Commissioner of Income Tax (Appeals) National Faceless Appeal Centre (NFAC), Delhi ('the CIT(A)' in short) both dated 11/02/2025 and arising out of the order passed u/s 147/143(3) of the Income Tax Act, 1961 ('the Act' for short) for Assessment Years 2012-13 & 2013-14 respectively.

2. Since, both the appeals are having identical issues, therefore, they are adjudicated by a common order. First we take up the appeal for Assessment Year 2012-13 in ITA No.2371/Del/2025.

**ITA No.2371/Del/2025 for AY 2012-13.**

3. Briefly stated the facts are that assessee has filed his return of income on 29.03.2012 declaring total income of Rs.3,20,210/-. The Assessing Officer had information that assessee received consideration of Rs.5,00,00,000/- from sale of Urban Agricultural Land and no capital gain was declared and therefore, proceedings u/s 147 were initiated after recording the reasons for reopening and obtaining statutory approval from the competent authority. The AO observed that assessee along with its eight brothers had sold the land for Rs.5,00,00,000/- out of which assessee share was of Rs.55,55,555/- (1/9 share). The assessee claimed deduction u/s 54B of the Act out of the capital gains being invested in the acquisition of new agricultural land which was denied on the ground that the assessee had purchased new land in the name of his wife.

4. Against the said order, the assessee filed appeal before the Ld. CIT(A) who vide order dated 11.02.2025 has dismissed the appeal of the assessee, therefore, the assessee is in appeal before the Tribunal by taking following grounds of appeal:

- “1. That on the facts and circumstances on the case, the Ld. Commissioner of Income Tax, NFAC had erred in law while dismissing the appeal filed by the appellant.*
- 2. That on the facts and circumstances on the case, the Ld. Commissioner of Income Tax, NFAC has failed to appreciate the factual substratum of the case, statutory provisions of law and as such the order passed is highly misconceived, totally arbitrary, wholly unjustified and therefore, unsustainable.*
- 3. That the order of the Ld. CIT (Appeals) is erroneous, unnecessary, and contrary to the facts and circumstances of the case and applicable legal pronouncement.*
- 4. That the Ld. CIT(Appeals) erred in law while confirming the addition made by the assessing officer in the assessment order.*
- 5. The appellant craves leave to add, delete and modify any ground of appeal at the time of/before the hearing of the appeal and all the grounds are mutually exclusive of each other.”*

5. Heard both the parties and perused the materials available on record. The sole issue in this appeal is with respect to allowability of deduction u/s 54B of the Act where the assessee has invested sale consideration into acquisition of another agricultural land in the name of his wife. The lower authorities have denied the deduction to the assessee by placing reliance on the judgment of *Hon'ble Jurisdictional High Court* in the case of *CIT vs. Dinesh Verma reported in 233 Taxmann.com 409 (P&H)*. The Ld. CIT(A) further placed reliance on the judgment of *Hon'ble Punjab & Haryana High Court* in the case of *Bahadur Singh vs. CIT(A) reported in [2023] 154 taxmann.com 456 (P&H)* wherein the Hon'ble Court has followed its judgment given in the case of CIT vs. Dinesh Verma (supra). It is also relevant to state that the said order of Hon'ble Punjab and Haryana High Court, of Bahadur Singh vs. CIT(A) (supra) was challenged by the assessee in SLP before the hon'ble Apex court which was dismissed by the Hon'ble Court as reported in *[2023] 154 taxman.com 457 (SC)*.

6. In view of above, we find no error in the order of Ld. CIT(A) in confirming the denial of deduction u/s 54B as the assessee had purchased the new agricultural land in the name of his wife and not in his own name. Accordingly, all the grounds of the appeal of the assessee are dismissed.

7. Appeal of the assessee in ITA No.2371/Del/2025 is dismissed.

**ITA No.2372/Del/2025 for Assessment Year 2023-14**

8. The facts as existed in this year are identical to the facts in ITA No.2371/Del/2025 where the assessee has purchased new agricultural land in the name of his wife and claimed deduction u/s 54B of the Act out of the long terms

capital gains in this assessment year also. The assessee has sold agricultural land along with his brothers for Rs. 60,00,000/- lacs out of which his share comes to Rs.6,66,667/- and Ld. CIT(A) had upheld the denial of the deduction u/s 54B as new land was purchased in his name of the wife. However, Ld. CIT(A) directed the AO to re-compute the capital gain by taking his share only as sale consideration as against gross consideration taken by the AO and direct the AO to re-compute the capital gain after giving deduction on account of statutory expenses like indexed cost of acquisitions. We find no error in the order of the Ld. CIT(A) and, accordingly, the same is hereby upheld.

9. In the result, the appeal in ITA No.2372/Del/2025 for Assessment Year 2013-14 is also dismissed.

Order pronounced in the open Court on 21.01.2026.

Sd/-  
**(MAHAVIR SINGH)**  
**VICE PRESIDENT**

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

Dated: 21.01.2026

*PK/PS*

Copy forwarded to:

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

**ASSISTANT REGISTRAR**  
**ITAT NEW DELHI**