

**IN THE INCOME TAX APPELLATE TRIBUNAL,  
AHMEDABAD “SMC” BENCH, AHMEDABAD  
[Coram: Pramod Kumar AM]**

ITA No.1082/Ahd/2015  
Assessment Year: 2010-11

**Parulben S Shah,**  
6, Yogeshwar Society,  
Paldi,  
Ahmedabad – 380 007.  
[PAN: APFPS 2926 F]

.....**Appellant**

**Vs.**

**Income Tax Officer,  
Ward – 11(2), Ahmedabad.**

.....**Respondent**

**Appearances by:**

**S.N. Divatia** for the Appellant  
**Shivasewak** for the Respondent

Date of concluding the hearing : 08.10.2018  
Date of pronouncing the order : 15.10.2018

**O R D E R**

1. By way of this appeal, the assessee appellant has challenged correctness of the order dated 24<sup>th</sup> March, 2015 passed by the learned CIT(A), in the matter of assessment under section 143(3) r.w.s. 147 of the Income Tax Act, 1961, for the assessment year 2010-11.

2. Grievances of the assessee, in substance, are that (a) learned CIT(A) erred in holding that the date of acquisition of the property sold by the assessee is required to be taken is 16.11.1998 (i.e. date of registration of purchase date) and not 22.07.1997 (i.e. the date on which purchase deed was entered into) and the indexed benefit was thus wrongly given as for F.Y. 1998-99 as against F.Y. 1997-98; and (b) learned CIT(A) erred in declining adjustment of Rs.5,00,000/- towards cost of improvement of the flat sold. Learned representatives fairly agree on the identification of above issues requiring my adjudication.

3. So far as the first issue is concerned, the relevant material facts are like this. During the relevant previous year, the assessee sold a residential flat. This flat was purchased by him vide purchase deed dated 22.07.1997 which was registered, in sub-Registrar's office on 16.11.1998. The authorities below are of the view that it's the date of registration of a document which really matters, and, accordingly, financial year 1998-99 is treated as the year in which asset was acquired, and the indexation was computed

accordingly. The assessee, on the other hand, contends that when sale deed was signed, entire consideration was paid and possession was taken, it is the date of purchase deed which should govern the date of acquisition. The assessee is thus in appeal before me.

4. I have heard the rival contentions, perused the material on record and duly considered facts of the case in the light of the applicable legal position.

5. I have noted that it is not even in dispute that entire purchase consideration of Rs.9,00,000/- was paid, vide cheques dated 2<sup>nd</sup> May 1997, and the deed was entered into on 22<sup>nd</sup> July 1997, even though it was admittedly registered much later on 16.11.1998. The mere fact that registration has taken place on a later date does not obliterate the fact that purchase deed was executed on 22.07.1997, and rather ratifies that act and relates back to that transaction. I, therefore, uphold the plea of the assessee and direct the Assessing Officer to give indexation benefit for cost of purchases by treating 22.07.1997 as date of acquisition. To this extent, plea of the appellant is upheld.

6. As regards the claim for alleged cost of improvement at Rs.5,00,000/-, learned counsel for the assessee fairly conceded his inability to produce any evidence establishing, in even indicating, cost of improvement. In this view of the matter, this plea is rejected.

7. In the result, the appeal is partly allowed in the above terms. Pronounced in the open court today on the 15<sup>th</sup> day of October, 2018.

Sd/-  
Pramod Kumar  
(Accountant Member)

*Dated: Ahmedabad, the 15<sup>th</sup> day of October, 2018.*

*PBN/\**

*Copies to:*

- (1) The appellant*
- (2) The respondent*
- (3) CIT*
- (4) CIT(A)*
- (5) DR*
- (6) Guard File*

*By order*

*Assistant Registrar  
Income Tax Appellate Tribunal  
Ahmedabad benches, Ahmedabad*