

**IN THE INCOME TAX APPELLATE TRIBUNAL  
Hyderabad ' B ' SMC Bench, Hyderabad**

**Before Smt. P. Madhavi Devi, Judicial Member**

ITA No.37/Hyd/2019		
Assessment Year: 2008-09		
Shri Mahesh Kumkar Agarwal, Hyderabad PAN: ABAPA0283E	Vs.	Income Tax Officer Ward 8(3) Hyderabad
(Appellant)		(Respondent)
Assessee by:	Smt. S. Sandhya	
Revenue by:	Smt. Matta Padma, DR	
Date of hearing:	31/10/2019	
Date of pronouncement:	01/11/2019	

**ORDER**

This is assessee's appeal for the A.Y 2008-09 against the order of the CIT (A)-2, Hyderabad, dated 31.10.2018.

2. Brief facts of the case are that the assessee, an individual, did not file any return of income for the A.Y 2008-09. The AO received the information that the assessee has sold an immovable property and the capital gains thereon has not been offered to tax. Therefore, notice u/s 148 was issued to the assessee in view of the escapement of capital gains. Since the assessee did not appear and offer any information, the AO has brought the SRO value to tax. Aggrieved, the assessee preferred an appeal before the CIT (A) who confirmed the order of the AO and the assessee is in second appeal before me.

4. The learned Counsel for the assessee submitted that the assessee had very clearly stated before the CIT (A) that the flat is more than 20 years old and thus the value of the asset has depreciated and that the value fixed by the SRO of Rs.43,98,000/- as against the assessee's sale consideration of Rs.22,35,000/- is not correct. He submitted that the CIT (A) has not considered the objections of the assessee and has not referred the matter to the Valuation Officer, but has summarily rejected the assessee's objections. Therefore, he submitted that the matter should be referred to the Valuation Officer for determination of the actual value of the property.

5. The learned DR was also heard.

6. Having regard to the rival contentions and the material on record, I find that the assessee had raised objections before the CIT (A) against the value of the property adopted by the AO, but the CIT (A) had not called for a remand report nor has he verified the correctness of the objections of the assessee. Since the property is allegedly 20 years old, the SRO value may not be strictly applicable to the same which is usually given for a new property. In view of the same, I deem it fit and proper to remand the issue to the file of the AO with a direction to refer the value of the property to the valuation cell and thereafter to recompute the value of the property on the basis of such valuation report. Needless to mention that the assessee should be given a fair opportunity of hearing.

7. In the result, assessee's appeal is treated as allowed for statistical purposes.

Order pronounced in the Open Court on 1<sup>st</sup> Nov. 2019.

Sd/-

**(P. MADHAVI DEVI)**  
**JUDICIAL MEMBER**

Hyderabad, dated 1<sup>st</sup> Nov. 2019.

***Vinodan/sps***

Copy to:

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- 2 ITO Ward 8(3) Signature Towers, Kondapur, Hyderabad 500084
- 3 CIT (A)-2 Hyderabad
- 4 Pr. CIT – 2 Hyderabad
- 5 The DR, ITAT Hyderabad
- 6 Guard File

*By Order*