

आयकर अपीलीय अधिकरण, 'सी' न्यायपीठ, चेन्नई।  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**'C' BENCH: CHENNAI**

श्री महावीर सिंह, माननीय उपाध्यक्ष, एवं  
श्री जी. मंजूनाथा, माननीय लेखा सदस्य के समक्ष  
**BEFORE SHRI MAHAVIR SINGH, HON'BLE VICE PRESIDENT AND**  
**SHRI G. MANJUNATHA, HON'BLE ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.63/Chny/2021  
निर्धारण वर्ष /Assessment Year: 2017-18

Mr.S.Ramesh,  
No.3, North Car Street,  
Tirunelveli Town-627 006.

v. The Dy. Commissioner-  
of Income Tax,  
Central Circle-1(3), Chennai.

[PAN: ABOPR 8449 M]  
(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

आयकर अपील सं./ITA No.64/Chny/2021  
निर्धारण वर्ष /Assessment Year: 2017-18

Mr.S.Ashok,  
28 B Casunna Drive,  
Kabaleeshwar Nagar,  
Neelankarai,  
Kancheepuram,  
Injampakkam.

v. The Dy. Commissioner-  
of Income Tax,  
Central Circle-1(3), Chennai.

[PAN: ABTPA 7033 M]  
(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

आयकर अपील सं./ITA No.65/Chny/2021  
निर्धारण वर्ष /Assessment Year: 2017-18

Mr.S.Murugesh,  
No.3, North Car Street,  
Tirunelveli Town-627 006.

v. The Dy. Commissioner-  
of Income Tax,  
Central Circle-1(3), Chennai.

[PAN: ACVPM 6963 D]  
(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

:: 2 ::

आयकर अपील सं./ITA No.66/Chny/2021  
निर्धारण वर्ष /Assessment Year: 2017-18

Mr.S.Magesh,  
TC No.16/15 81,  
Eashwara Vilasam Road,  
Vazhuthacaud, Trivandrum.  
[PAN: ACVPM 6890 K]  
(अपीलार्थी/Appellant)

v. The Dy. Commissioner-  
of Income Tax,  
Central Circle-1(3), Chennai.  
(प्रत्यर्थी/Respondent)

आयकर अपील सं./ITA No.67/Chny/2021  
निर्धारण वर्ष /Assessment Year: 2017-18

Mr.S.Pothiraj,  
No.3A-D-1, Cathdral Main Road,  
Nungambakkam, Chennai.  
[PAN: ACXPP 8538 R]  
(अपीलार्थी/Appellant)

v. The Dy. Commissioner-  
of Income Tax,  
Central Circle-1(3), Chennai.  
(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by : Mr.Y.Sridhar, CA  
प्रत्यर्थी की ओर से /Respondent by : Mr.P. Sajit Kumar, JCIT  
सुनवाई की तारीख/Date of Hearing : 20.09.2022  
घोषणा की तारीख /Date of Pronouncement : 28.09.2022

**आदेश / ORDER**

**PER G. MANJUNATHA, ACCOUNTANT MEMBER:**

These appeals filed by different assesseees are directed against separate, but identical orders of the Commissioner of Income Tax (Appeals)-18, Chennai, all dated 16.02.2021 and pertains to assessment year 2017-18. Since, facts are identical and issues are common, for the sake of convenience, these appeals filed by different assesseees were heard together and are being disposed off, by this consolidated order.

2. All assesseees have, more or less, filed common grounds in respect of all appeals and challenged the addition made by the AO towards difference

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between guideline value of the property and consideration paid for purchase of property u/s.56(2)(vii)(b) of the Act. Since, only common issue needs to be resolved from all these appeals is addition towards differential consideration u/s.56(2)(vii)(b) of the Act, we deem it not appropriate to reproduce the grounds of appeals filed by all the assesseees.

**3.** The brief facts of the case are that the assessee Mr.S.Ramesh & others purchased a property at Vanigar Street, Kanchipuram, for a consideration of Rs.31,80,000/- vide Document No.3014/2016 dated 07.06.2016. The guideline value of the property was fixed at Rs.84,80,000/-. During the course of assessment proceedings, the AO referred the valuation of property to Valuation Cell of the Income Tax Department and the DVO has determined value of property at Rs.74,99,648/-. The AO assessed sum of Rs.43,19,648/- u/s.56(2)(vii)(b) of the Act, being difference between the DVO value of Rs.74,99,648/- and consideration shown in the registered document, amounting to Rs.31,80,000/-, at the rate of 1/5<sup>th</sup> on each co-owner name and made addition of Rs.8,63,930/-. The assessee carried the matter in appeal before the First Appellate Authority, but could not succeeded. The Ld.CIT(A) for the reasons stated in his appellate order dated 16.02.2021, sustained the additions made by the AO. Aggrieved by the order of the Ld.CIT(A), the assessee is in appeal before us.

**4.** The Ld.AR for the assessee submitted that the Ld.CIT(A) erred in not appreciating the fact that although, there is a difference between value

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determined by the DVO and consideration paid for purchase of property, but the assessee has explained the reasons for difference in guideline value and thus, the AO as well as the Ld.CIT(A) ought not to have made addition u/s.56(2)(vii)(b) of the Act.

**5.** The Ld.DR, on the other hand, supporting the order of the Ld.CIT(A), submitted that the law is very clear in as much as if there is a difference between guideline value of the property and consideration paid for purchase of said property, then, said difference should be treated as income of the assessee in terms of s.56(2)(vii)(b) of the Act, and thus, the AO has rightly made the addition towards difference and the Ld.CIT(A) has rightly sustained the additions made by the AO.

**6.** We have heard both the parties, perused the materials available on record and gone through orders of the authorities below. There is no dispute with regard to the fact that there is a difference between consideration paid for purchase of property as per registered document and guideline value of the property fixed by the authorities for payment of stamp duty. It is also not in dispute that the AO has referred valuation of the property to the DVO and the DVO has determined value of the property at Rs.74,99,648/-. Therefore, we are of the considered view that difference between the DVO value of Rs.74,99,648/- and consideration paid for purchase of property at Rs.31,80,000/-, should be assessed as income of the purchasers in terms of s.56(2)(vii)(b) of the Act. The AO after considering relevant facts has rightly made addition towards differential

:: 5 ::

consideration u/s.56(2)(vii)(b) of the Act. The Ld.CIT(A) has rightly appreciated the facts and sustained the additions made by the AO and thus, we are inclined to uphold the findings of the Ld.CIT(A) and dismiss the appeals filed by all the assessees.

7. In the result, appeals filed by all the assessees are dismissed.

Order pronounced on the 28<sup>th</sup> day of September, 2022, in Chennai.

**Sd/-**  
(महावीर सिंह)  
**(MAHAVIR SINGH)**  
उपाध्यक्ष /VICE PRESIDENT

**Sd/-**  
(जी. मंजूनाथा)  
**(G. MANJUNATHA)**  
लेखा सदस्य/ACCOUNTANT MEMBER

चेन्नई/Chennai,  
दिनांक/Dated: 28<sup>th</sup> September, 2022.  
**TLN**

आदेश की प्रतिलिपि अग्रेषित/**Copy to:**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त (अपील)/CIT(A)
4. आयकर आयुक्त/CIT
5. विभागीय प्रतिनिधि/DR
6. गार्ड फाईल/GF