

**IN THE INCOME TAX APPELLATE TRIBUNAL, 'VNS' BENCH**

**BEFORE: SHRI B.R. BASKARAN, ACCOUNTANT MEMBER  
&  
SHRI AMIT SHUKLA, JUDICIAL MEMBER**

**ITA No.39/VNS/2022  
(Assessment Year :2019-2020)**

Meena Devi Station Road Basra Ballia Uttar Pradesh	Vs.	Commissioner of Income Tax, National Faceless Centre (NFAC) Delhi
<b>PAN/GIR No.AHPPD2153F</b>		
<b>(Appellant)</b>	..	<b>(Respondent)</b>

Assessee by	Shri Shishir Bajpai
Revenue by	Shri A.K.Singh
<b>Date of Hearing</b>	<b>27/09/2023</b>
<b>Date of Pronouncement</b>	<b>16/10/2023</b>

**आदेश / O R D E R**

**PER AMIT SHUKLA (J.M):**

The aforesaid appeal has been filed by the assessee against order dated 31/08/2022 passed by NFAC Delhi in relation to the rectification u/s.154 made in the intimation u/s.143(1)(a).

2. The brief facts are that assessee had sold immovable property and the details of the same were duly shown in the computation of income under the head long term capital gain in the return of income filed. The return filed on 31/08/2019 was

processed u/s. 143(1), wherein adjustment was made by taking the value of sale consideration as per Section 50C for computation of the capital gain instead of sale consideration shown by the assessee. Thereafter, assessee filed an application u/s.154 and in the rectification of intimation u/s.143(1) r.w.s. 154 on 19/01/2021, the same was not considered and the original processing order was retained.

3. Before the Id. CIT (A) it was challenged that taking the sale consideration as per the stamp valuation authority u/s.50C is beyond the scope of Section 143(1)(a) and there is no such provision mentioned in provision (i) to (vi) to make such an adjustment. Further, it was contended that the assessee had disputed the valuation u/s.50C before the Id. AO in the petition for rectification u/s. 154, however, same has not been accepted. However, the Id. CIT (A) has confirmed the addition on the ground that the provision of Section 50C is clear that the value has to be taken as per the stamp valuation authority and therefore, the Id. AO has rightly made the adjustment.

4. After hearing both the parties and on perusal of the impugned order, we find that the adjustment has been made on the ground that sale consideration shown by the assessee should be in accordance with the deeming provision of Section 50C wherein the value has to be taken as per the rate decided by the stamp valuation authority. First of all the scope of adjustment u/s. 143(1) has to fall within the prima facie adjustment as elaborated in clauses (i) to (vi) of Section 143(1)(a). This kind of

adjustment does not fall in any of the clauses. Simply because, assessee had shown the actual sale consideration as per sale deed and not as per the stamp valuation, that does not tantamount to arithmetical error or incorrect claim just because the sale consideration shown is slightly less than the value assessed by the stamp valuation authority in terms of Section 50C. Section 50C(2) itself provides that if the assessee has challenged or disputed the rate adopted by the stamp valuation authority, then the matter has to be referred to the valuation officer to determine the correct value, which assessee did in its rectification application u/s 154. All this process of automatic adopting the stamp valuation figure of sale consideration u/s 50C is beyond the scope of prima facie adjustment u/s. 143(1)(a) as it is neither arithmetical error nor incorrect claim. Because the sale consideration received as a result of transfer of a capital asset the valuation adopted by the stamp valuation authority can be subject matter of challenge and such a deeming provision cannot be subject matter of prima facie adjustment while computing the total income or loss. If the AO is not satisfied with such a claim then he has to give opportunity to the assessee and issue notice u/s 143(2). Accordingly, such an adjustment made by the AO/ CPC by adopting the sale consideration as per section 50C is unwarranted and beyond the scope of section 143(1)(a) and therefore, such kind of adjustment is deleted. Accordingly, the appeal of the assessee is allowed.

**5. In the result, appeal of the assessee is allowed.**

Order pronounced on 16<sup>th</sup> October, 2023.

**Sd/-**  
**(B.R. BASKARAN)**  
**ACCOUNTANT MEMBER**

Mumbai; Dated 16/10/2023  
KARUNA, *sr.ps*

**Sd/-**  
**(AMIT SHUKLA)**  
**JUDICIAL MEMBER**

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