

**आयकर अपीलीय अधिकरण, कटक न्यायपीठ, कटक**  
**IN THE INCOME TAX APPELLATE TRIBUNAL CUTTACK BENCH CUTTACK**

**BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER  
AND**

**SHRI MANISH AGARWAL, ACCOUNTANT MEMBER**

आयकर अपील सं/ITA No.335/CTK/2024

(निर्धारण वर्ष / Assessment Year : 2018-2019)

Lalit Kumar Jalan, Jalan Pharmaceuticals, Jaunliapatty, Manik Ghosh Bazar, Cuttack, Odisha	Vs	ITO, WARD-1(1), Cuttack
<b>PAN No. : AATPJ 3927 A</b>		

(अपीलार्थी / Appellant)	..	(प्रत्यर्थी / Respondent)
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निर्धारिती की ओर से / Assessee by	:	Shri S.K.Sarangi, CA
राजस्व की ओर से / Revenue by	:	Shri S.C.Mohanty, Sr.DR
सुनवाई की तारीख / Date of Hearing	:	17/10/2024
घोषणा की तारीख / Date of Pronouncement	:	17/10/2024

**आदेश / ORDER**

**Per Bench :**

This is an appeal filed by the assessee against the order of the Id. CIT(A), National Faceless Appeal Centre (NFAC), Delhi, dated 06.06.2024, passed in appeal No.NFAC/2017-18/10047064 vide DIN & Order No.ITBA/NFAC/S/250/2024-25/1065429730(1) for the assessment year 2018-2019, on the following grounds of appeal :-

- 1. That the Appellant craves leave to add, alter, amend, modify, substitute, delete and or rescind all or any of the Grounds of Appeal on or before the final hearing, if necessity so arises. The Appeal may be allowed & justice rendered.*
- 2. That the Ld. Assessing officer is unjustified and unlawful by not considering the reasons submitted for fair market value of the land being low as compared to the stamp duty value and referring the case to the valuation officer at the last moment that too after the objection by the appellant and passing the order without waiting for the report simply shows that the Ld AO has not properly applied the provisions of law which is unlawful and unjustified.*
- 3. The Ld. AO is wrong in facts and law by completing the assessment by adopting the stamp duty value and not waiting*

*for the valuation report. Moreover, the Ld AO should at the very first instance before invoking the provisions of section 50C and preparing the draft assessment order should have referred the case to the valuation officer, as the appellant in his very first submission in response to notice u/s 142(1), had stated that the stamp duty value adopted by the authority is much more than the fair market value of the property.*

- 4 *That the Ld. CIT (A) summarily dismissed the case disregarding the material on record, i.e. statement of facts and grounds of appeal which was placed before him, and other provisions of law applicable. Under this situation, the order of CIT (A) is arbitrary, illegal and unlawful and not dealing with points so raised before him on merits.*
5. *That the Ld. AO and the Ld.CIT(A) both are wrong on the facts and law of the case.*
6. *That the appellant now requests you to adjudicate the case on its merit, as per the provisions of the law.*

2. Since all the grounds are related to the issue of difference in value of property as adopted by stamp authorities and as per the sale consideration, therefore, the same are canvassed together for the sake of convenience.

3. Brief facts of the case are that the assessee is an individual and filed his return of income declaring income from business and long term capital gain from sale of immovable property. During the year under appeal, the assessee has sold land for a total consideration of Rs.17,64,150/-, through ten sale deeds separately executed and after claiming indexed cost of acquisition of Rs.12,03,248/- had offered Rs.5,60,902/- as long term capital gain. The AO by observing that the stamp value authority has valued the said property at Rs.1,15,51,737/- and, thus, show caused as to why the sale consideration should not be substituted to Rs.1,15,51,737/- as against Rs.17,64,150/- declared by the

assessee in terms of Section 50C of the Act. In reply to this, assessee has objected the stamp duty value adopted by the authorities and requested the AO for referring the matter for valuation before the District Valuation Officer (DVO). The AO accordingly referred the matter to the DVO and since at the time of completion of the assessment no such report was received from the DVO, the AO has made the addition by substituting the sale consideration at the value adopted by the stamp value authorities instead of actual sale consideration received by the assessee and calculated the long term capital gain accordingly. In first appeal, Id. CIT(A) confirmed the action of the AO, therefore, the assessee is in appeal before us.

4. During the course of hearing, Id. AR submitted that the assessee has raised serious objections against the value adopted by the stamp duty authorities and stated that the land in question could not be sold at the price higher than the agreed consideration due to various negative factors attached to it which were not considered by the AO. The Id.AR brought our attention to the order of Id. CIT(A) where in para 3, the contentions raised by the appellant were reproduced. The assessee has stated four reasons as to why the land was sold at a lower price, which are (i) the land was situated at a far distance from the main city of Cuttack, (ii) no basic facilities such as water supply or the electricity was available there, (iii) the land was not directly connected with any proper road when the sale was made and this fact could also be verified from the map and (iv) the land was low lying and meshy and substantial amount has to spend to

brought it to a habitable condition. Since the assessee was in urgent need of funds therefore, he had sold the land under distress and the buyers had discounted the market price after considering the above negative factors attached to the land. However, the stamp authorities had ignored all these factors and valued the property solely based on the circle rate and no concession was given towards these negative factors. The AO after receiving the objections from the assessee towards the value adopted by stamp duty authorities, in terms of the provisions of section 50C(2) has made reference to the valuation officer to determine/ estimate the fair market value as on the date of transfer. However, till date no report was submitted by the valuation officer. Ld. AR submitted that though no time limit is provided in section 50C for the valuation officer to submit the report however, section 142A of the Act which also contains the provisions of valuation of assets including capital asset by valuation officer, where subsection (6) provides limitation of six months from the end of the month when the reference was made to valuation officer to submit his report to the AO. According to Ld. AR, the valuation officer has not submitted any report even till today, any report submitted now must be held as barred by limitations in view of the provisions of section 142A(6) of the Act. He also submits that non submission of the report by the DVO would also lead to the conclusion that the sale consideration declared by the assessee is fair and reasonable and DVO has nothing contrary to report on the negative factors brought on record by the assessee, therefore, no report was submitted by him. Under these circumstances the sale consideration

declared by the assessee deserves to be taken as the fair market value for the purpose of section 50C of the Act. He, accordingly requested for deletion of additions made by the AO.

5. On the other hand, Id. Sr. DR vehemently supported the orders of the authorities below and submitted that the reference was made u/s.50C of the Act whether there is no such limitation is provided for submitting of valuation report within the period of six months and the provisions of Section 142A(6) of the Act are not applicable in the present case. He accordingly prayed for the confirmation of the additions made by the lower authorities. Alternatively, Id. Sr. DR submitted that the AO and CIT(A) have also observed in the order that in the event the DVO's report was received at a later stage where the sale consideration determined by the DVO is less than the value adopted by the stamp duty authorities, necessary relief would be allowed to the assessee, therefore, there is no harm to the assessee if the report of DVO would be come at a later stage.

6. We have considered the rival submissions and perused the material available on record. In this case, admittedly, the value adopted by the stamp duty authorities was challenged by the assessee in terms of Section 50C(2) of the Act and the AO has also referred the matter to the DVO for computing the fair market value as on the date of sale for the purpose of computing long term capital gain. It is also a matter of fact that till date the DVO has not submitted any report on such reference. On specific query to the Id. AR by the Bench that as to whether any communication is received from the DVO for submission of the requisite

details of the properties sold, it was replied by the Id. AR at Bar that no communication was received by the assessee till date. It is also seen that assessee has explained various reasons as to why such land was sold at a lower rate which are reproduced herein above however, none of the said reason was answered nor considered by AO nor by stamp duty authorities and since the report of DVO is not yet received, we are unable to comment about the stand taken by DVO on such factors. Before going further, we need to examine the provisions of section 50C of the Act, as existed at that point of time, which reads as under:

**50C. Special provision for full value of consideration in certain cases.**

*(1) Where the consideration received or accruing as a result of the transfer by an assessee of a capital asset, being land or building or both, is less than the value adopted or assessed or assessable by any authority of a State Government (hereafter in this section referred to as the "stamp valuation authority") for the purpose of payment of stamp duty in respect of such transfer, the value so adopted or assessed or assessable shall, for the purposes of section 48, be deemed to be the full value of the consideration received or accruing as a result of such transfer.*

*Provided that where the date of the agreement fixing the amount of consideration and the date of registration for the transfer of the capital asset are not the same, the value adopted or assessed or assessable by the stamp valuation authority on the date of agreement may be taken for the purposes of computing full value of consideration for such transfer:*

*Provided further that the first proviso shall apply only in a case where the amount of consideration, or a part thereof, has been received by way of an account payee cheque or account payee bank draft or by use of electronic clearing system through a bank account or through such other electronic mode as may be prescribed on or before the date of the agreement for transfer.*

*(2) Without prejudice to the provisions of sub-section (1), where-*

*(a) the assessee claims before any Assessing Officer that the value adopted or assessed or assessable or assessed or assessable by the stamp valuation authority under sub-section*

*(1) exceeds the fair market value of the property as on the date of transfer;*

*(b) the value so adopted or assessed or assessable or assessed or assessable by the stamp valuation authority under sub-section (1) has not been disputed in any appeal or revision or no reference has been made before any other authority, Court or the High Court, the Assessing Officer may refer the valuation of the capital asset to a Valuation Officer and where any such reference is made, the provisions of sub-sections (2), (3), (4), (5) and (6) of section 16-A, clause (i) of sub-section (1) and sub-sections (6) and (7) of section 23-A, sub-section (5) of section 24, section 34-AA, section 35 and section 37 of the Wealth-tax Act, 1957 (27 of 1957), shall, with necessary modifications, apply in relation to such reference as they apply in relation to a reference made by the Assessing Officer under sub-section (1) of section 16-A of that Act.*

*Explanation 1-For the purposes of this section, "Valuation Officer" shall have the same meaning as in clause (r) of section 2 of the Wealth-tax Act, 1957 (27 of 1957).*

*Explanation 2. - For the purposes of this section, the expression "assessable" means the price which the stamp valuation authority would have, notwithstanding anything to the contrary contained in any other law for the time being in force, adopted or assessed, if it were referred to such authority for the purposes of the payment of stamp duty.*

*(3) Subject to the provisions contained in sub-section (2), where the value ascertained under sub-section (2) exceeds the value adopted or assessed or assessable by the stamp valuation authority referred to in sub-section (1), the value so adopted or assessed or assessable by such authority shall be taken as the full value of the consideration received or accruing as a result of the transfer.*

7. Sub-section (1) of section 50C of the Act applies where the consideration received or accrues as a result of transfer by an assessee of a capital asset, being land or building or both, is less than the value adopted or assessed by any authority of the State Government i.e. stamp valuation authority for the purpose of payment of stamp duty in respect of such transfer. In that case, the value so adopted or assessed shall, for the purposes of computing capital gains u/s 48, be deemed to be the full

value of the consideration received or accruing as a result of such transfer.

8. However, where the assessee objected the value adopted or assessed by the stamp valuation authority referred in sub-section (1) during the course of assessment proceedings and stated that such value exceeds the fair market value of the property as on the date of the transfer, the Assessing Officer may refer the valuation of the capital asset to a Valuation Officer. Sub-section (2) further provides that where any such reference is made, the provisions of sub-section (2), (3), (4), (5) and (6) of section 16A, clause (i) of sub-section (1) and sub-section (6) and (7) of section 23A, sub-section (5) of sec. 24, 34AA, 35 and 37 of the Wealth Tax Act, 1957, shall, with necessary modifications, apply in relation to such reference as they apply in relation to a reference made by the Assessing Officer under sub-section (1) of section 16A of that Act.

9. Section 16A(1) of the Wealth Tax Act provides for making reference to the Valuation Officer. Sub-sections (2) to (5) of section 16A provide for the mode and manner in which the value of an asset is to be estimated. Sub-section (6) of provides that on receipt of an order under sub-section (3) or sub-section (5) from the Valuation Officer, the Assessing Officer shall, so far as valuation of the asset in question is concerned, proceed to complete the assessment in conformity with the estimate of the Valuation Officer. Accordingly, once a reference is made u/s 50C of the Act to the Valuation Officer for valuation of the capital asset, the Assessing Officer is obliged to complete the assessment in conformity with the estimate made

by the Valuation Officer pursuant to such reference made by him. However, nowhere in the Wealth Tax Act nor in section 50C any time limit is provided for valuation officer to submit the report to the AO. It must be within reasonable time frame and should not be delayed as has been done in the present case.

10. In the instant case after making reference to the Valuation Officer by the AO on 22.03.2021, no report is submitted by the valuation officer to the AO till date and assessment order was passed by AO by replacing the sale consideration as declared by the assessee with the value determined by stamp value authority though the same was already challenged by the assessee. Thus the assessee was asked to pay the taxes on the amount of capital gains which is subject to modifications based on the report of the valuation officer that has never come and under these circumstances the capital gains as computed by the AO has not attained the finality even on the part of the AO and the assessee was asked to pay the taxes on such provisional amount of capital gains. As per sub-section (3) to section 50C, the assessee is liable to pay capital gains tax when the valuation officer has valued the capital asset at the price more than the value determined by the stamp authorities. Since till date no report is submitted nor any time limit is provided in section 50C of the Act, assessee should not be punished for such an inordinate delay of almost 4 years which is solely attributable to the valuation officer and is beyond the control of the assessee.

11. Now the next issue came up for our consideration is with regard to the limitation in submitting the report by valuation officer to the AO. For this before taking resort to the provisions of General Clauses Act or Limitation Act, we have to examine whether any time limit is provided under any other section of Income Tax Act for submission of the valuation report. As per the Income Tax Act, 1961 other sections where reference to valuation officer could be made for estimate the value of asset are section 43CA, 55A and 142A. Provisions of section 43CA are as under:

**43CA. Special provision for full value of consideration for transfer of assets other than capital assets in certain cases.**

(1) *Where the consideration received or accruing as a result of the transfer by an assessee of an asset (other than a capital asset), being land or building or both, is less than the value adopted or assessed or assessable by any authority of a State Government for the purpose of payment of stamp duty in respect of such transfer, the value so adopted or assessed or assessable shall, for the purposes of computing profits and gains from transfer of such asset, be deemed to be the full value of the consideration received or accruing as a result of such transfer.*

*Provided that where the value adopted or assessed or assessable by the authority for the purpose of payment of stamp duty does not exceed one hundred and five per cent. of the consideration received or accruing as a result of the transfer, the consideration so received or accruing as a result of the transfer shall, for the purposes of computing profits and gains from transfer of such asset, be deemed to be the full value of the consideration.*

(2) *The provisions of sub-section (2) and sub-section (3) of section 50C shall, so far as may be, apply in relation to determination of the value adopted or assessed or assessable under sub-section (1).*

(3) *Where the date of agreement fixing the value of consideration for transfer of the asset and the date of registration of such transfer of asset are not the same, the value referred to in sub-section (1) may be taken as the value assessable by any authority of a State Government for the purpose of payment of stamp duty in respect of such transfer on the date of the agreement.*

- (4) *The provisions of sub-section (3) shall apply only in a case where the amount of consideration or a part thereof has been received by way of an account payee cheque or an account payee bank draft or by use of electronic clearing system through a bank account on or before the date of agreement for transfer of the asset.*

Provisions as contained in section 55A reads as under :

**55A. Reference to Valuation Officer.**

*With a view to ascertaining the fair market value of a capital asset for the purposes of this Chapter, the Assessing Officer may refer the valuation of capital asset to a Valuation Officer-*

- (a) *in a case where the value of the asset as claimed by the assessee is in accordance with the estimate made by a registered valuer, if the Assessing Officer is of opinion that the value so claimed is less than its fair market value;*
- (b) *in any other case, if the Assessing Officer is of opinion:*
- (i) *that the fair market value of the asset exceeds the value of the asset as claimed by the assessee by more than such percentage of the value of the asset as so claimed or by more than such amount as may be prescribed in this behalf; or*
- (ii) *that having regard to the nature of the asset and other relevant circumstances, it is necessary so to do, and where any such reference is made, the provisions of sub-sections (2), (3), (4), (5) and (6) of section 16-A, clauses (ha) and (i) of sub-section (1) and sub-sections (3-A) and (4) of section 23, sub-section (5) of section 24, section 34-AA, section 35 and section 37 of the Wealth-tax Act, 1957 (27 of 1957), shall, with the necessary modifications, apply in relation to such reference as they apply in relation to a reference made by the Assessing Officer under sub-section (1) of section 16-A of that Act.*

*Explanation. - In this section, "Valuation Officer" has the same meaning, as in clause (r) of section 2 of the Wealth-tax Act, 1957 (27 of 1957)*

Provisions as contained in section 142A reads as under :

- 142A.** (1) *The Assessing Officer may, for the purposes of assessment or reassessment, make a reference to a Valuation Officer to estimate the value, including fair market value, of any asset, property or investment and submit a copy of report to him.*
- (2) *The Assessing Officer may make a reference to the Valuation Officer under sub-section (1) whether or not he is satisfied about the correctness or completeness of the accounts of the assessee.*

(3) *The Valuation Officer, on a reference made under sub-section (1), shall, for the purpose of estimating the value of the asset, property or investment, have all the powers that he has under section 38A of the Wealth-tax Act, 1957 (27 of 1957).*

(4) *The Valuation Officer shall, estimate the value of the asset, property or investment after taking into account such evidence as the assessee may produce and any other evidence in his possession gathered, after giving an opportunity of being heard to the assessee.*

(5) *The Valuation Officer may estimate the value of the asset, property or investment to the best of his judgment, if the assessee does not co-operate or comply with his directions.*

(6) *The Valuation Officer shall send a copy of the report of the estimate made under sub-section (4) or sub-section (5), as the case may be, to the Assessing Officer and the assessee, within a period of six months from the end of the month in which a reference is made under sub-section (1).*

(7) *The Assessing Officer may, on receipt of the report from the Valuation Officer, and after giving the assessee an opportunity of being heard, take into account such report in making the assessment or reassessment.*

*Explanation.—In this section, "Valuation Officer" has the same meaning as in clause (r) of section 2 of the Wealth-tax Act, 1957 (27 of 1957)"*

12. From the bare reading of all these three sections it may be seen that section 43CA deals with the valuation of all the assets other than capital assets and other provisions of section 50C are applicable. Section 55A can be invoked where estimation of fair market value of a capital asset is required for the purposes of chapter relating to capital gains in those cases where provisions of section 50C are not applicable. Section 142A can be invoked for estimation of value including fair market value of an asset, property or investment for the purposes of assessment or reassessment. As per the scheme of the Income Tax Act, Section 50C

and 55A are special provisions for determination of the fair market value of capital asset for computing capital gains whereas section 142A is a general provision for estimation of value of any asset, property or investment for the purposes of assessment / reassessment. Therefore, the scope of section 142A is very wide which also includes reference to valuation officer for valuation to compute capital gains. Since sections 50C and 55A are special provision applicable for estimation of fair market value of a capital asset to compute capital gains, thus, as per the maxim ***Generalia specialibus non derogant***, special provision will prevail over general provision and, therefore, where the issue is of computation of capital gains, for estimating the value of a capital asset, reference to DVO can be made only u/s 50C or 55A of the Act, as the case may be, and not u/s 142A. However, from the perusal of all the four sections viz. 43CA, 50C, 55A and 142A of the Act, it can be seen that except in section 142A, in none of the other section i.e. 43CA, 50C and 55A time limit is provided by the Act to the valuation officer for submission of valuation report to the assessing officer. As per section 142A(6) it is mandatory for the valuation office that he shall submit the report to the assessing officer within a period of six months from the end of the month in which the reference was made. Thus for the limited purpose on the issue of limitation for submission of the valuation report by the valuation officer, time limit as provided in sub-section (6) of section 142A of the Act could be considered as a guiding factor in other sections where a reference is made to the valuation office to determination the fair market value etc.,

even though it is not a special provision for the purpose of computing capital gains. This can be done only in the special circumstances where the valuation officer has delayed in submitting the report for indefinite time period such as in the instant case where after making reference on 22.03.2021 by the AO till date i.e. after expiry of more than three and half year, no report is submitted. Nor the valuation officer has even bothered to communicate with the assessee or the assessing officer to collect the relevant details necessary for the purpose of valuation of the subject capital assets sold by the assessee. To our view any report submitted by the valuation officer after such an inordinate delay should be held as time barred and no cognizance of the same should be taken even where the reference is made u/s 50C of the Act. The **Hyderabad bench of Tribunal** in the case **Shri Zulfi Revdjee vs. ACIT** in ITA No. 2415/Hyd/2018 reported in **[2019] 75 ITR (Trib.) 219 (Hyd.)** vide its order dt. 05-09-2019 has held that it is mandatory for the Valuation Officer to submit the Valuation Report within six months from the date of receipt of the reference, delay in filing the report cannot be condoned. The relevant observations of the bench are as under:

*7. Having regard to the rival contentions and the material on record, we find that the relevant A.Y before us is A.Y 2013-14 and the return of income was filed on 30.09.2013. Therefore, 21 months from such date would expire on 31.3.2016. Thus, the assessment order u/s 143(3) was required to be passed by 31.03.2016 but since the AO has made a reference to the valuation officer u/s 142A of the Act, vide letter dated 19.02.2016, and the valuation report was filed on 20.7.2017, the said period will have to be excluded for determining the time limit. However, the question before us is the period allowed to the DVO to submit the report. U/s 142A of the Act, the valuation report has to be submitted within six months from the date of the receipt of the reference. Admittedly, in the case before us, the valuation officer has submitted the report*

*beyond a period of 15 months. Whether this period can be enlarged or condoned is to be seen. As rightly pointed by the learned Counsel for the assessee, the word used in sub-section 6 of section 142A is "shall" and in other sub sections, the word used is "may". The Hon'ble Delhi High Court in the case of B.K. Khanna & Co. vs Union Of India And Others on 14 September, 1984 (Supra) has clearly held that where the words "may" and "shall" are used in various provisions of same sections, then both of them contain different meaning and the word "shall" shall mean "mandatory". As argued by the learned Counsel for the assessee, the AO was required to call for a report from the valuation officer within six months from the date of the reference and the valuation officer was bound to give such a report with such prescribed period. Further, as seen from the assessment order, the AO had directed the valuation officer to give the valuation of the property as on 8.2.2010, whereas the valuation officer has given the report as on the date of the execution of the sale deed. Therefore, the DVO has clearly not followed the directions of the AO and also not followed the timeline fixed under the Act. When it is mandatory for an officer to follow the timeline prescribed under the Act, such delay cannot be condoned. Therefore, we agree with the contentions of the learned Counsel for the assessee that the report of the Valuation Officer has to be filed within the time given u/s 142A(vi) of the Act and therefore, the assessment order passed on the basis of such report of Valuation Officer beyond the time limit is not sustainable. Therefore, we allow the assessee's appeal and the assessment order is set aside.*

13. Simultaneously, in this case the assessing officer is also on default who after making reference to the valuation officer on 22.03.2021 has not bothered to communicate with the valuation officer to find out the status of the action taken by him on the reference made. While inserting the time limits in section 142A, the spirit of the law was to restrict the revenue authorities from playing arbitrarily and unscrupulously. Under these circumstances the assessee should not be punished for the lapses on the part of the valuation officer who has not submit the valuation report even after expiry of such a long period. Also the AO who has computed the capital gains in the hands of the assessee by taking sale consideration at the value taken by stamp authorities by ignoring the fact that the same was only indicative price computed for charging the stamp duty and since

the assessee has objected the same, it cannot be taken for charging capital gains tax. Under these circumstances, looking to the peculiar facts of the case and also keeping in the mind the circumstances under which the assessee was compelled to sale the said property at a lower rate, we are of the considered view that the sale consideration received by the assessee in terms of the registered sale deed should be taken for computing the capital gains. Further, we are not inclined to accept the contention of the Id. Sr. DR that the assessee would be given credit on the basis of the DVO's report as and when the said report was received as it tantamount to delay the justice for indefinite time period. This will give the AO enhanced period for making the assessment in their own way. When the valuation officer is guilty of breach of the law by not submitting the valuation report within a reasonable time period thus for the breach of all such legal provisions, the lower authorities should not get some premium by enhancing the limitation period by leaving the assessment open with such condition for indefinite period. We are live to the issue that though the interest of revenue is vital, such interest cannot override considerations of probity and fairness in tax governance. A fair tax regime where no assessee is harassed is equally crucial. The reference was made to the valuation officer on 22.03.2021 and thereafter the assessment was completed on 18.04.2021 as by making reference of limitation for completing the assessment, the same cannot be extended now solely for want of the valuation report, at the same time, necessary steps should have been taken by the concerned officials to ensure that

the report from the office of the valuation officer should reach to the office of the AO within a reasonable time period which both the lower authorities have miserably failed to do. If we allow the AO to modify the order after the receipt of the report from the valuation officer which otherwise is barred by limitations such action would not only reward the revenue with an enhanced limitation period but embolden unscrupulous tax officials to manipulate orders or otherwise mistreat the assessee. Therefore, we delete the addition made by AO who computed the amount of capital gains by taking Rs.1,15,51,737/- being the value taken by stamp authorities as sale consideration as against Rs.17,64,150/- as declared by the assessee and we direct accordingly.

14. In the result, appeal of the assessee is allowed with the directions given hereinabove.

Order pronounced in the open court on 17/10/2024.

**Sd/-**  
**(GEORGE MATHAN)**

**न्यायिक सदस्य / JUDICIAL MEMBER**

**कटक** Cuttack; दिनांक Dated 17/10/2024

*Prakash Kumar Mishra, Sr.P.S.*

**आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant-  
Lalit Kumar Jalan,  
Jalan Pharmaceuticals,  
Jaunliapatty,  
Manik Ghosh Bazar,  
Cuttack,Odisha
2. प्रत्यर्थी / The Respondent-  
ITO,WARD-1(1),Cuttack
3. आयकर आयुक्त(अपील) / The CIT(A),
4. आयकर आयुक्त / CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, **कटक** / DR, ITAT, **आदेशानुसार/ BY ORDER,**  
Cuttack
6. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//

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

**लेखा सदस्य/ ACCOUNTANT MEMBER**

**(Assistant Registrar)**

**आयकर अपीलीय अधिकरण, कटक/ITAT, Cuttack**