

आयकर अपीलीय अधिकरण, इंदौर न्यायपीठ, इंदौर
IN THE INCOME TAX APPELLATE TRIBUNAL
INDORE BENCH, INDORE
BEFORE SHRI B.M. BIYANI, ACCOUNTANT MEMBER
AND
SHRI DINESH MOHAN SINHA, JUDICIAL MEMBER

ITA No.556/Ind/2024
Assessment Year:2016-17

Pradeep Pinjani, 24 MP Nagar Zone-II, Bhopal	<u>बनाम/</u> Vs.	ITO-1(2) Bhopal
(Assessee/Appellant)		(Revenue/Respondent)
PAN: ABTPPO680R		
Assessee by	Shri S.S. Deshpande, CA & AR	
Revenue by	Shri Ashish Porwal, Sr. DR	
Date of Hearing	02.01.2025	
Date of Pronouncement	27.01.2025	

आदेश / O R D E R

Per B.M. Biyani, A.M.:

Feeling aggrieved by order of first appeal dated 04.06.2024 passed by learned Commissioner of Income-Tax (Appeals), National Faceless Appeal Centre, Delhi ["CIT(A)"] which in turn arises out of assessment-order dated 20.12.2018 passed by learned ITO-1(2), Bhopal ["AO"] u/s 143(3) of Income-tax Act, 1961 ["the Act"] for Assessment-Year ["AY"] 2016-17, the assessee has filed this appeal.

2. Originally, the assessee has raised following grounds in Form No. 36 (Appeal Memo):

"1. That on the facts and in the circumstances of the case, the Ld. CIT(A) was not justified to confirm the addition made by Ld. AO by rejecting, without giving proper opportunity for production/verification of evidences, of the cost of improvement made by the assessee in land located in Sehore amounting to Rs 11,99,300/- (indexed cost being Rs 21,21,695/-) and by rejecting the expenses incurred in connection with sales of such property amounting to Rs 1,40,500/-.

2. That on the facts and in the circumstances of the case, the Ld. CIT(A) was not justified to confirm the addition made by Ld. AO by rejecting, without giving proper opportunity for production/verification of evidences, of the cost of improvement made by the assessee in building situated at MP Nagar, Bhopal amounting to Rs 45,71,100/- (indexed cost being Rs 86,97,626/-) and by rejecting the expenses incurred in connection with sales of such property amounting to Rs 6,60,000/-.

3. That on the facts and in the circumstances of the case, the Ld. CIT(A) was not justified to confirm the addition made by Ld. AO by rejecting the exemption claim made by the assessee u/s 54F by investing in new house Rs. 60,00,000/- (Proportionate exemption claim Rs 35,17,111/-) without giving proper opportunity for production/verification of evidences, related therewith.

4. That on the facts and in the circumstances of the case, the Ld. CIT(A) was not justified to confirm the addition made by Ld. AO by ignoring the claim for loss from business amounting to Rs 6,29,230/- which is duly supported by Audited Final Accounts and the Tax Audit report held on records and duly claimed by the assessee in the return of income filed.

5. That having regard to the facts and circumstances of the case, the Ld. CIT(A) erred on facts and in law in not allowing the appellant's application filed under Rule 46A of the Income Tax Rules, 1962 for admission of additional evidences and further erred in not considering the evidences filed before him, before adjudicating the appeal of the appellant, notwithstanding the fact that the Ld. A.O. had made the disallowance without confronting specific queries and without granting adequate opportunity.

6. That the appellant craves the leave to add, modify, amend or delete, any of the grounds of appeal at the time of hearing and all the above grounds are without prejudice to each other."

3. Subsequently, the assessee raised following ground No. 7 as additional ground vide application dated 10.09.2024:

"Ground No. 7:

That on the facts and in the circumstances of the case of the assessee, the Ld. AO was not justified in assessing issues other than the issues for which limited scrutiny was initiated, without first obtaining approval of the PCIT."

4. Ld. AR for assessee submitted that the Ground No. 7, raised by way of additional ground for the first time before ITAT, is purely legal in nature; goes to the root of the matter; do not call for any new evidence; and can be decided on the basis of material already held on record. Therefore, in view of the decision in *National Thermal Power Co. Ltd. Vs. CIT (1998) 229 ITR 383 (SC)*, the additional ground must be admitted and decided. Ld. DR for revenue did not object to admission of additional ground but, however, made a submission against merits of ground which we would deal in subsequent discussions. Therefore, the additional ground is admitted and shall be decided in subsequent discussions.

5. Since Ground No. 7 (additional ground) is a legal ground, we first take up the same for adjudication. In this ground, as reproduced above, the assessee claims that the AO was not justified in assessing issues other than the issues for which "limited scrutiny" was initiated, without first obtaining approval of the PCIT.

6. Apropos to this ground, Ld. AR firstly carried us to the notice dated 03.07.2017 u/s 143(2) issued by AO to assessee by which the scrutiny proceeding was initiated. The first page of said notice is scanned and reproduced here for an immediate reference:



भारत सरकार/ GOVERNMENT OF INDIA
वित्त मंत्रालय/ MINISTRY OF FINANCE
आयकर विभाग/ INCOME TAX DEPARTMENT
OFFICE OF THE INCOME TAX OFFICER
ITO,1(2), BHOPAL

सेवा में/ To, PARDEEPKUMAR ISHWARLAL PINJANI 24 24 ,MP NAGAR ZONE 2 462011 ,Madhya Pradesh India	
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स्थायी लेखा संख्या/ PAN: ABTPP0680R	निर्धारण वर्ष/ AY: 2016-17	नोटिस संख्या / Notice No.: ITBA/AST/S/143(2)/2017- 18/1004778024(1)	दिनांक/ Dated: 03/07/2017
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आयकर अधिनियम, 1961 की धारा 143(2) के अन्तर्गत नोटिस
Notice under section 143(2) of the Income Tax Act, 1961

सीमित संवीक्षा (कम्प्यूटर आधारित संवीक्षा चयन)

Limited Scrutiny (Computer Aided Scrutiny Selection)

महोदय/महोदया/ मेसर्स,

Sir/ Madam/ M/s,

यह आपको सूचित किया जाता है कि कर निर्धारण वर्ष 2016-17 की आयकर विवरणी जो कि पावती संख्या 504695131161016 दिनांक 16/10/2016 को दाखिल किया गया था, सीमित संवीक्षा हेतु चयनित है।

This is for your kind information that the return of Income for Assessment Year 2016-17 filed vide ack. no. 504695131161016 on 16/10/2016 has been selected for Scrutiny.

परीक्षण हेतु निम्नलिखित विषय चिन्हित हैं।

Following issue(s) have been identified for examination:

- Whether the investment and income relating to securities transactions are duly disclosed.
- Whether value of consideration for computation of capital gains has been correctly shown in the return of income.

2. उपरोक्त के सम्बन्ध में, मैं आप को उपर्युक्त आयकर विवरणी के समर्थन में दिनांक 12/07/2017 को 11:30 AM या उसके पहले कोई साक्ष्य/सूचना प्रस्तुत करने का अवसर प्रदान करता/करती हूँ।

In view of the above, I would like to give you an opportunity to produce any evidence/information which you feel is necessary in support of the said return of income on or before 12/07/2017 at 11:30 AM.

3. उपरोक्त वर्णित साक्ष्य/ सूचना, आयकर विभाग की ई- फाइलिंग वेबसाइट में उपलब्ध 'ई- प्रोसीडिंग' सुविधा के माध्यम से अपने एकाउन्ट द्वारा प्रेषित करनी है। आगे की कार्यवाहियाँ भी इलेक्ट्रानिक (*) तरीके से संचालित की जाएँगी। ई प्रोसीडिंग की मुख्य विशेषताओं पर संक्षिप्त नोट संलग्न है।

The above mentioned evidence/information is to be furnished online electronically in 'E- Proceeding' facility through your account in e-Filing website of Income-tax Department. Further proceedings shall also be conducted electronically (*). A brief note on salient features

7. Referring to same, Ld. AR explained that the case of assessee was selected for "Limited Scrutiny" to examine undermentioned two issues:

- "(i) Whether the investment and income relating to securities transactions are duly disclosed.*
- "(ii) Whether value of consideration for computation of capital gains has been correctly shown in the return of income."*

8. Then Ld. AR carried us to the Return of Income and Computation of Total Income at Page 6-12 of Paper-Book to show that the assessee declared capital gain earned from sale of two properties situated at (i) Sehore and (ii) M.P. Nagar, Bhopal. Ld. AR further demonstrated that the assessee declared "value of consideration" of those properties at Rs. 96,40,000/- and Rs. 1,79,50,000/- respectively and after deductions of costs/exemptions worked out taxable capital gain and declared in the return of income filed to department. Then, Ld. AR drew us to Para 5 of assessment-order and demonstrated that the AO has also assessed capital gain accepting the "value of consideration" of properties sold by assessee at Rs. 96,40,000/- and Rs. 1,79,50,000/- respectively but, however, the AO varied/denied the deductions of costs/exemptions and accordingly worked out taxable capital gain at a higher figure of Rs. 2,06,09,690/- than declared by assessee. Ld. AR thus submitted that the AO has very much accepted the "value of consideration" declared by assessee in return of income without any change.

9. Ld. AR next carried us to the notice dated 07.12.2018 issued by AO u/s 142(1) at Page 24-25 of Paper-Book, raising following query in Point No. 7:

"7) Please file justification why sale consideration of property in ITR is less than sale consideration reported in the Form 26QB."

Ld. AR submitted that the Form 26QB of Income-tax is a challan-cum-statement of TDS u/s 194-IA filed by purchaser of property. This Form is for "value of consideration" for which the property was sold by assessee and it is nothing to do with costs/exemptions claimable by assessee in computing capital gain. Therefore, the query raised by AO during assessment-proceeding was also *qua* the "value of consideration" and not for costs/exemption claimed by assessee.

10. Ld. AR then drew us to the reply-letter submitted by assessee to AO, copy at Page 28-30 of Paper-Book. Vide Para 1(c) of letter, the assessee filed a detailed explanation stating that (i) the property at Sehore was sold for Rs. 96,40,000/- and (ii) the property at M.P. Nagar, Bhopal was sold for Rs. 1,79,50,000/-.

11. Thus, with the help of documents narrated above, Ld. AR made a submission that the "value of consideration" of properties at Rs. 96,40,000/- and Rs. 1,79,50,000/- were declared by assessee in the return; were enquired by AO during scrutiny-proceeding; were explained by assessee in reply-letter; and were ultimately accepted by AO in assessment-order without any change. Therefore, Ld. AR contended, the issue No. (ii) of Limited Scrutiny namely *"Whether value of consideration for computation of capital gains has been correctly shown in the return of income"* stands duly examined and accepted by AO.

12. However, Ld. AR submitted, while passing assessment-order the AO has gone beyond the scope of Limited Scrutiny and varied/denied the claim of costs/exemption made by assessee in computing taxable gain without obtaining approval from PCIT and therefore the higher capital gain assessed by AO at Rs. 2,06,09,690/- from sale of properties as against capital gain declared by assessee from those properties in this manner is not valid and not sustainable.

13. Ld. AR relied upon a decision of ITAT, Delhi Bench in **Urban Improvement Co. (P) Ltd. Vs. ITO-Ward 27(2), Delhi, ITA No. 7496/Del/2019** wherein the ITAT has deleted the addition made by assessing authority u/s 43CA beyond the scope of limited scrutiny without prior approval of PCIT. The Ld. AR has also filed a copy of order of ITAT subsequently after conclusion of hearing. We reproduce below Para No. 10 of 14 of ITAT's order reading as under:

"10. We find that the instructions of CBDT are very clear for examination of issue other than the reasons taken up in limited scrutiny case. The instructions of the CBDT are as under:

Instruction No. 20/2015

Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

North Block, New Delhi, the 29th of December, 2015

Subject: Scrutiny Assessments-some important issues and scope of scrutiny in cases selected through Computer Aided Scrutiny Selection ('CASS')-reg .-

The Central Board of Direct Taxes ('CBDT'), vide Instruction No. 7/2014 dated 26-9-2014 had clarified the extent of enquiry in certain category of cases specified therein, which are selected for scrutiny through CASS. Further clarifications have been sought regarding the scope and applicability of the aforesaid Instruction to cases being scrutinized.

2. In order to facilitate the conduct of scrutiny assessments and to bring further clarity on some of the issues emerging from the aforesaid Instruction, following clarifications are being made:

- i. Year of applicability: As stated in the Instruction No. 7/2014, the said Instruction is applicable only in respect of the cases selected for scrutiny through CASS-2014.
- ii. Whether the said Instruction is applicable to all cases selected under CASS: The said Instruction is applicable where the case is selected for scrutiny under CASS only on the parameter(s) of AIR/CIB/26AS data. If a case has been selected under CASS for any other reason(s)/parameter(s) besides the AIR/CIB/26AS data, then the said Instruction would not apply.
- iii. Scope of Enquiry: Specific issue based enquiry is to be conducted only in those scrutiny cases which have been selected on the parameter(s) of AIR/CIB/26AS data. In such cases, the Assessing Officer, shall also confine the Questionnaire only to the specific issues pertaining to AIR/CIB/26AS data. Wider scrutiny in these cases can only be conducted as per the guidelines and procedures stated in Instruction No. 7/2014.
- iv. Reason for selection: In cases under scrutiny for verification of AIR/CIB/26AS data, the Assessing Officer has to intimate the reason for selection of case for scrutiny to the assessee concerned.

3. As far as the returns selected for scrutiny through CASS-2015 are concerned, two type of cases have been selected for scrutiny in the current Financial Year- one is 'Limited Scrutiny' and other is 'Complete Scrutiny'. The assessee concerned have duly been intimated about their cases falling either in 'Limited Scrutiny' or 'Complete Scrutiny' through notices issued under [section 143\(2\)](#) of the Income-tax Act, 1961 ('Act'). The procedure for handling 'Limited Scrutiny' cases shall be as under:

- a. In 'Limited Scrutiny' cases, the reasons/issues shall be forthwith communicated to the assessee concerned.
- b. The Questionnaire under [section 142\(1\)](#) of the Act in 'Limited Scrutiny' cases shall remain confined only to the specific reasons/issues for which case has been picked up for scrutiny. Further, the scope of enquiry shall be restricted to the 'Limited Scrutiny' issues.
- c. These cases shall be completed expeditiously in a limited number of hearings.
- d. During the course of assessment proceedings in 'limited Scrutiny' cases, if it comes to the notice of the Assessing Officer that there is potential escapement of income exceeding Rs. five lakhs (for metro charges, the monetary limit shall be Rs. ten lakhs) requiring substantial verification on any other issue(s), then, the case may be taken up for 'Complete Scrutiny' with the approval of the Pr. CIT/CIT concerned. However, such an approval shall be accorded by the Pr. CIT/CIT in writing after being satisfied about merits of the issue(s) necessitating 'Complete Scrutiny' in that particular case. Such cases shall be monitored by the Range Head concerned. The procedure indicated at points (a), (b) and (c) above shall no longer remain binding in such cases. (For the present purpose, 'Metro charges' would mean Delhi, Mumbai, Chennai, Kolkata, Bengaluru, Hyderabad and Ahmadabad).

4. The Board further desires that in all cases under scrutiny, where the Assessing Officer proposes to make additions or disallowances, the assessee would be given a fair opportunity to explain his position on the proposed additions/disallowances in accordance with the principle of natural justice.

In this regard, the Assessing Officer shall issue an appropriate show-cause notice duly indicating the reasons for the proposed additions/disallowances along with necessary evidences/reasons forming the basis of the same. Before passing the final order against the proposed additions/disallowances, due consideration shall be given to the submissions made by the assessee in response to the show-cause notice.

5. *The contents of this Instruction should be immediately brought to the notice of all concerned for strict compliance.*

(Ankita Pandey)

Under Secretary to Government of India

11. Further, Instruction No. 5 of 2016 dated 14.07.2016 reads as under:

Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

North Block, New Delhi, the 14th of July, 2016

Subject: Direction regarding scope of enquiry in cases under 'Limited Scrutiny' selected through CASS 2015 & 2016-regd.-

Vide Instruction No. 20/2015 dated 29.12.2015 in File of even number, Board has laid down Standard Operating Procedure for handling of cases under 'Limited Scrutiny' which were selected through Computer Aided Scrutiny Selection in 'CASS Cycle 2015'. In these cases, it was stated that the general scope of enquiry in scrutiny proceedings should be restricted to the relevant parameters which formed the basis for selecting the case for scrutiny. However, in revenue potential cases, it was further provided that 'Complete Scrutiny' could be conducted, if there was potential escapement of income above a prescribed monetary limit, subject to the approval of administrative Pr. CIT/CIT/Pr. DIT/DIT.

2. *In order to ensure that maximum objectivity is maintained in converting a case falling under 'Limited Scrutiny' into a 'Complete Scrutiny' case, the matter has been further examined and in partial modification to Para 3(d) of the earlier order dated 29.12.2015, Board hereby lays down that while proposing to take up 'Complete Scrutiny' in a case which was originally earmarked for 'Limited Scrutiny', the Assessing Officer ('AO') shall be required to form a reasonable view that there is possibility of under assessment of income if the case is not examined under 'Complete Scrutiny'. In this regard, the monetary limits and requirement of administrative approval from Pr. CIT/CIT/Pr. DIT/DIT, as prescribed in Para 3(d) of earlier Instruction dated 29.12.2015, shall continue to remain applicable.*

3. *Further, while forming the reasonable view, the Assessing Officer would ensure that:*

- a. *there exists credible material or information available on record for forming such view;*
- b. *this reasonable view should not be based on mere suspicion, conjecture or unreliable source;*
and c. there must be a direct nexus between the available material and formation of such view.

4. *It is further clarified that in cases under 'Limited Scrutiny', the scrutiny assessment proceedings would initially be confined only to issues under 'Limited Scrutiny' and questionnaires, enquiry, investigation etc. would be restricted to such issues. Only upon conversion of case to 'Complete Scrutiny' after following the procedure outlined above, the AO may examine the additional issues besides the issue(s) involved in 'Limited Scrutiny'. The AO shall also expeditiously intimate the taxpayer concerned regarding conducting 'Complete Scrutiny' in such cases.*

5. *It is also clarified that once a case has been converted to 'Complete Scrutiny', the AO can deal with any issue emerging from ongoing scrutiny proceedings notwithstanding the fact that the reason for such issue have not been included in the Note.*

6. *To ensure proper monitoring in cases which have been converted from 'Limited Scrutiny' to 'Complete Scrutiny', it is suggested, that provisions of [section 144A](#) of the Act may be invoked in suitable cases. To prevent possibility of fishing and roving enquiries in such cases, it is desirable that these cases should invariably be picked up while conducting Review or Inspection by the administrative authorities.*

7. *The above Instruction shall be applicable from the date of its issue and would cover the cases selected under CASS 2015 which are pending scrutiny cases as well as cases selected/being selected under the CASS 2016.*

8. *The contents of this Instruction may be brought to the notice of all for necessary compliance.*

9. *Hindi version to follow.*

(Rohit Garg)

Deputy Secretary to the Government of India

12. *The crux of the instructions are summarized as under:*

- i. The questionnaire [u/s 142\(1\)](#) shall be confined only to the issue of limited scrutiny.*
- ii. Approval of PCIT/CIT concern iii. PCIT/CIT concern shall grant approval in writing and after being satisfied on the merits of the case.*
- iv. Such cases shall be monitored by range head. v. In limited scrutiny cases enquiry shall be restricted only on the issues of limited scrutiny.*
- vi. Only after conversion of case to complete scrutiny and after following the procedure outlined above the A.O. may examined the issues other than limited scrutiny issues.*
- v. The A.O. shall intimate the assessee regarding conducting complete scrutiny.*
- vi. The provisions of [Sec. 144A](#) should be invoked in suitable cases. vii. To prevent the roving and fishing enquiries, such cases should be picked up for review and inspection by administrative authorities.*

13. *Reliance is also being placed in the order of the Co-ordinate Bench of ITAT in the case of [CBS International Projects Pvt. Ltd. Vs ACIT, New Delhi](#) in ITA No. 144/Del/2019 and order of the Hon'ble Jurisdictional High Court in the case of Best Plastics Pvt. Ltd. 295 ITR 256 wherein it was held that the assessment order passed by the Assessing Officer disregarding the instructions of the CBDT are liable to be set aside and no substantial question of law arises. The said judgment relied upon the decision of Hon'ble Supreme Court in the case of [Commissioner of Customs Vs Indian Oil Corporation](#) and also the judgment of Hon'ble Supreme Court in the case of [UCO Bank Vs CIT](#): 237*

ITR 889. Hence, we hold that the Assessing Officer can widen the scope of scrutiny even the case is selected for limited scrutiny under CASS, however, the condition precedent for such widening of the scope is that the Assessing Officer has to seek prior approval of the authorities mentioned. Such prior approval and the permission of the PCIT is lacking in the instant case. There was no satisfaction about the merits of the issue which necessitated complete scrutiny in the instant case. Hence, the assessment framed by the assessee on the issues which are not in consonance of the instruction of CBDT are liable to be quashed. The addition u/s 43CA, since beyond the scope of the limited scrutiny is hereby ordered to be deleted."

14. With above submissions, Ld. AR prayed that action of AO in assessing long-term capital gain from sale of impugned properties at Rs. 2,06,09,690/- by varying/denying the costs and exemption, is beyond the scope of "Limited Scrutiny" and hence following the mandate of CBDT Instructions as analysed by **Urban Improvement Co. (P) Ltd. (supra)**, the addition made by AO deserved to be deleted and the AO be directed to accept the taxable capital gain from impugned properties declared by assessee in return of income.

15. Ld. DR for revenue opposed the submission of Ld. AR. He referred section 45(1) of the Act which prescribes that any profit or gain arising from transfer of a capital asset shall be chargeable to tax after giving exemptions u/s 54, etc. He also referred section 48 which provides 'mode of computation' of capital gain and prescribes that the income chargeable under the head capital gain shall be computed by deducting various costs from full value of consideration. Thus, Ld. DR contended, the capital gain cannot be worked out without deducting costs/exemption as admissible to assessee. Ld. DR submitted that the AO is within the scope of issue No. (ii) of "Limited Scrutiny" by examining costs/exemption because unless the

costs/exemptions are examined, the capital gain cannot be worked out. Ld. DR repeatedly emphasized that the AO is within the scope of limited scrutiny in terms of issue No. (ii) and there is nothing wrong in AO's action. Ld. DR also submitted that the assessee did not comply with many of the notices issued by AO u/s 142(1) and filed only single reply to last notice issued by AO [Para 3 of assessment-order] which is also a point of consideration. With these submissions, Ld. DR prayed to uphold the order of AO.

16. We have considered rival contentions of both sides and perused the case record including the orders of lower-authorities and the documents filed in Paper-Book to which our attention has been drawn. We have also perused the decision of ITAT, Delhi in ***Urban Improvement Co. (P) Ltd. (supra)***. The limited issue pleaded by Ld. AR for assessee, by means of Ground No. 7, is such that the case of assessee was taken up for limited scrutiny and Issue No. (ii) enabled the AO to examine "*Whether value of consideration for computation of capital gains has been correctly shown in the return of income*". The assessee has declared "value of consideration" at Rs. 96,40,000/- and Rs. 1,79,50,000/- in the return of income, explained those very figures in the reply-letter filed to AO during assessment-proceeding and the AO has also accepted those very figures/values in assessment-order. Thus, the issue No. (ii) of limited scrutiny stands examined and even closed by AO. In this scenario, Ld. AR is very right in submitting that the AO has travelled beyond the scope of issue No. (ii) and varied/denied assessee's

claims of costs/exemption. Although Ld. DR for revenue is correct in submitting that in terms of section 45(1)/48, the capital gain has to be worked out after deducting costs/exemption but we are concerned with the issue for examination in limited scrutiny. The issue No. (ii) mentioned by AO in the notice u/s 143(2) does not leave any ambiguity. It clearly says that the scrutiny was initiated to examine the "**value of consideration for computation of capital gain**". It does not talk of "capital gain" or "computation of capital gain". Had it said talked of "capital gain" or "computation of capital gain", the AO's scope would have been to examine entire computation of capital gain including the deduction of costs/exemption but it talks of only "value of consideration" which is one component in computing taxable capital gain. Admittedly, the AO has accepted the "value of consideration" declared by assessee in return. However, the AO has only varied/denied assessee's claim of costs/exemption but the same, in our considered view, is outside the scope of issue No. (ii). Therefore, we agree that the present case of assessee is well covered by the decision of ITAT, Delhi in **Urban Improvement Co. (P) Ltd. (supra)**. Respectfully following the view taken therein, we too hold that the assessment framed by AO in so far it concerns the computation of capital gain from sale of properties at Rs. 2,06,09,690/- is liable to quashed. We therefore direct the AO to accept the capital gain from sale of impugned properties declared by assessee in return and delete the addition made in that respect.

17. Resultantly, this appeal is allowed as mentioned above.

Order pronounced by putting on notice board as per Rule 34 of ITAT Rules,
1963 on 27/01/2025

Sd/-

sd/-

(DINESH MOHAN SINHA)
JUDICIAL MEMBER

(B.M. BIYANI)
ACCOUNTANT MEMBER

Indore

दिनांक /Dated : 27/01/2025

Patel/Sr. PS

Copies to: (1) The appellant
(2) The respondent
(3) CIT
(4) CIT(A)
(5) Departmental Representative
(6) Guard File

By order

Sr. Private Secretary
Income Tax Appellate Tribunal
Indore Bench, Indore