

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'C': NEW DELHI**

**BEFORE SHRI ANUBHAV SHARMA, JUDICIAL MEMBER
AND
SHRI AVDHESH KUMAR MISHRA, ACCOUNTANT MEMBER**

ITA No.5534/Del/2015, A.Y. 2010-11

Victory Realtech Pvt. Ltd. H. No.: 139, Samrat Gali, Khajuri Khas, New Delhi PAN: AACCV4516H	Dy. Commissioner of Income Tax Central Circle-8, ARA Tower, Jhandewalan Extn. New Delhi
(Appellant)	(Respondent)
Appellant by	Smt. Rano Jain, Advocate, Ms. Mansi Jain, CA
Respondent by	Sh. Dayainder Singh Sidhu, CIT(DR)
Date of Hearing	23/04/2025
Date of Pronouncement	21/07/2025

ORDER

PER AVDHESH KUMAR MISHRA, AM

This appeal of the assessee for the Assessment Year ('AY') 2010-11 is directed against the order dated 02.03.2015 of the Commissioner of Income Tax (Appeals)-XXVII, New Delhi ['CIT(A)'].

2. Following grounds have been raised in this appeal: -

"1. On the facts of the case and as per law, The Ld. CIT(A) erred in upholding the initiation of proceedings u/s 147 of the Act without judicially appreciating the facts of the case and the law.

1.1 That the Ld. CIT (A) erred in holding that the appellant did not make full and true disclosure of facts on the plea that the income tax return was not taken up for scrutiny and no Order was passed u/s 143(3) of the Act. The

Ld. CIT(A) did not appreciate that the fact that the appellant filed Income Tax Return u/s 139(1) and the return was processed u/s 143(1) of the Act. The selection of the case under scrutiny is the prerogative of the Income Tax Department. The reason for not putting the case under scrutiny cannot be the ground for alleging that the appellant did not make full and true disclosure of facts which entitled the Revenue Officer for initiating the proceeding u/s 147 of the Act.

2. *The Ld. CIT(A) erred on facts and law in upholding the Order dated 28.03.2013 passed by the Assessing Officer wherein the objections filed by the appellant, challenging the initiation of proceedings u/s147 of the Act were rejected arbitrarily.*

Without prejudice to ground no 1 and 2

3. *On the facts of the case and as per law, the Ld. CIT(A) erred in upholding the arbitrary order of the Ld. Assessing Officer in disallowing Short Term Capital Loss of Rs 27,92,30,441/-, incurred in sale of commercial FSI in Sirsa Project & sale of 4659 shares of Mansarover Heritage Inn Private Limited, merely on his whims and fancy. The Ld. CIT (A) erred in upholding the Order of the Assessing Officer who challenged the business prudence of the appellant without any cogent material and disallowed Short Term Capital Loss merely on suspicion*
4. *That the Orders of the Assessing Officer & CIT (A) is highly arbitrarily, capricious unwarranted and are not based on the facts of the case & as per law and consequently therefore not sustainable as per law.*
5. *On the facts of the case and as per law, the Order passed by the Ld. CIT(A) in upholding the Order passed by the Assessing Officer who disallowed the actual capital loss of Rs.27,94,97,000/- merely on whimsical grounds without pursuing the bonafide explanation and evidences produced by the appellant. The Order of the Ld. CIT (A) and the Assessing Officer is totally perverse and arbitrarily and hence not sustainable in the law*
6. *That levying the interest u/s 234B & 234C is not in accordance with the law.*
7. *That the appellant craves leave to add, amend or alter any of the grounds of the appeal.”*

3. The relevant facts giving rise to this appeal are that the appellant assessee filed its original Income Tax Return ('ITR') on 15.03.2011 declaring income of Rs.12,500/- and Short Term Capital Loss ('STCL') of Rs.2,66,558/- to be carried forward. The said ITR was processed under section 143(1) of the Income Tax Act, 1961 ('Act'). Later on the case was reopened under section 148 of the Act. In response to notice under section 148 of the Act, the assessee filed its ITR on 22.03.2013 declaring income of Rs.12,500/-. The case was scrutinized.

3.1 During the relevant year, the assessee had sold 50,00,000 shares of M/s Era Infra Engineering Limited for consideration of Rs.70,42,30,441/- through Motilal Oswal Securities Ltd. and derived Short Term Capital Gains ('STCG') of Rs.27,92,30,441/-. However, this STCG got set off against the STCL of Rs.27,94,97,000/-. The remaining STCL of Rs.2,66,559/- was carried forward by the assessee. The STCL of Rs.27,94,97,000/- arose from purchases & sales of commercial FSI in Sirsa Project and shares of M/s Mansarover Heritage Inn Pvt. Ltd. The Assessing Officer ('AO') examined/ investigated all transactions resulting STCL. During the assessment, the assessee was show-caused to explain the genuineness of all transactions resulting STCL and the basis of valuation of both assets (FSI and shares) at the time of the purchase & sale thereof. As per the assessee, it purchased 4659 shares of M/s Mansarover Heritage Inn Put. Ltd. from M/s Complete Engineers Put. Ltd. for Rs.28,88,58,000/- on 13.05.2009 @ Rs.62,000/- per

share at prevailing market rate at that time. Later on, due to sluggishness in real estate market, the assessee sold those shares for Rs.13,51,11,000/- to Mr. Rajesh Chaudhary as the assessee was not finding any buyer, for those shares, in the market. As a result, the assessee suffered the STCL of Rs.15,37,47,000/-. The assessee had not received any sale consideration from Mr. Rajesh Chaudhary till the finalization of the assessment. Mr. Rajesh Chaudhary sold those shares to M/s Era Landmarks Ltd. for Rs.13,51,11,000/-.

3.2 Further, the assessee also purchased commercial FSI in Sirsa Project for Rs.18,57,50,000/- on 18.04.2009 from M/s Goglet Infotech Pvt. Ltd. @ of Rs.66,000/- sq. ft. at prevailing market rate at that time. Later on, due to sluggishness in real estate market, the assessee sold commercial FSI in Sirsa Project for Rs.6,00,00,000/- to Mr. Subhash Chaudhary as the assessee was not finding any buyer, for the commercial FSI in Sirsa Project, in the market. As a result, the assessee suffered the STCL of Rs.12,57,50,000/-. The assessee had not received any sale consideration from Mr. Subhash Chaudhary till the finalization of the assessment. Mr. Subhash Chaudhary sold the commercial FSI in Sirsa Project to M/s Big Ben Developers Pvt. Ltd. for Rs.6,00,00,000/-.

3.3 The AO was not satisfied with the explanations of the assessee that the STCL of Rs.27,94,97,000/- was genuine. Hence, he observing as under completed the assessment:

“4.2 The submission made by the assessee is not found satisfactory. The assessee has used some vague phrases such as "based on market value prevailing", "sluggishness in real estate markets", "bad market conditions", "with proper business sense after considering market conditions prevailing etc. but has not provided any concrete basis of valuation of the FSI and the shares and the reasons for the drastic diminution in their values within a period of 4 months.

With regard to the valuation of shares, the assessee has submitted that the value of shares was based on the market value prevailing at that time. It is important to note that the company M/s Mansarover Heritage Inn Pvt. Ltd. is an unlisted company and its shares do not have market value. The value which would be relevant would be the book value of shares. Therefore, the assessee was asked "to provide the book value of the shares of M/s Mansarover Heritage Inn Pvt. Ltd. both at the time of sale and purchase of shares." The assessee has submitted that there is no change in the book value of shares at the time of purchase and sale.

As per the balance sheet of M/s Mansarover Heritage Inn Pvt. Ltd. the book value of the shares as on 31.03.2010 and as on 31.03.2009 is negative. The assessee has failed to provide any basis of how the shares were valued at Rs.62,000/- per share at the time of purchase and Rs.29,000/- per share at the time of sale. Similarly, the assessee has not provided any basis for the valuation of FSI.

4.3 From the above, it can be clearly seen that the assessee has not been able to satisfactorily explain the basis of valuation of FSI and the shares and the reasons for the drastic diminution thereof. Infact, there was no basis of selling the shares which were bought for Rs.28,88,58,000/- to Sh. Rajesh Chaudhary for Rs.13,51,11,000/- within a span of 4 months. Similarly, there was no basis of selling the FSI which was bought for Rs.18,57,50,000/- to Shri Subhash Chaudhary for Rs.6,00,00,000/- within a span of 4 months.

There was no basis of valuation that how the price of both the transactions determined and what was the hurry to enter into such a transaction that would result into a loss of Rs.27,94,97,000/- and for which no payment has been received till 31.03.2011. The whole chain of transactions was entered into just to set off of the capital gains arising on

the shares of M/s Era Infra Engg. Ltd. This is evident from the perusal of the chain of transactions.

*The first transaction regarding the FSI was entered into buy the assessee with M/s Goglet Infotech Pvt. Ltd. which is a group concern of M/s Era Group. Then subsequently the FSI was sold to Sh. Subhash Chaudhary. The assessee has submitted that it could not find a prospective buyer who could purchase this development right. Since, the funds of the company were blocked and there was no hope for immediate recovery of real estate market, the company decided to sell these development rights to Sh. Subhash Chaudhary who had shown his willingness to purchase these rights for total consideration of Rs.6,00,00,000/-. The contention of the assessee is wrong. No funds of the assessee were blocked. **Infact no payment was made by the assessee to M/s Goglet Infrastructure Pvt. at the time of transaction. The payment of this transaction was made by the assessee on 06.10.2009 after the payment was received from M/s Moti Lal Oswal Securities Ltd. on 5/10/09. The assessee has not provided any evidence/information regarding the circumstances that required immediate funds. It is pertinent to note that the assessee has not undertaken any business during the year or afterwards that would indicate the requirement of the funds. Further the assessee has tried to show that it was a distress sale due to recession in the real estate market. It should be noted that there was no drastic meltdown in the real estate sector during that time that would have eroded the value of assets by such an extent within a period of 4 months.***

The assessee has further submitted that Sh. Subhash Chaudhary did not make any payment and kept for asking more time. The submissions of the assessee are contradictory. On one hand the assessee is saying that due to lack of prospective buyers, the FSI was sold to Sh. Subhash Chaudhary as he had shown willingness to buy the same, on the other hand it is submitting that Sh. Subhash Chaudhary kept on asking for more time to make the payments, It is very strange that a company in in such a great need of funds would sell its assets at huge loss to a person without inquiring into his financial credentials. Willingness of the buyer means that he should have had ready funds to purchase and willingness of the seller to sell at such a reduced value means the seller is satisfied of

*the capacity of the buyer to pay immediately. Notice u/s 133(6) was sent to Sh. Subhash Chaudhary and information was called for to determine the genuineness of the transaction. **From the perusal of the ITR of Sh. Subhash Chaudhary, it is seen that he is a person of no financial worth. Sh. Subhash Chaudhary subsequently transferred his rights in favour of M/s Big Ben Developers Pvt. Ltd., another group company of M/s Era Group at the same sale consideration of Rs.6,00,00,000/-. The payment to the assessee from M/s Era Buildwell Pvt. Ltd. is still outstanding till date. This further shows that the assessee was in no need of funds and the explanation of the funds being blocked has been manufactured by the assessee to provide a cloak of genuineness to this sham transaction.** Therefore, in light of the above circumstances, it is clear that this transaction is a sham transaction and was just entered to set off the short term capital gains to reduce the tax liability.*

*Similarly, the transaction regarding the shares was entered into by the assessee with M/s Complete Engineers Pvt. Ltd. Then subsequently the shares were sold to Sh. Rajesh Chaudhary. The assessee has submitted that it could not find a prospective buyer who could purchase the shares and the market condition was not good. **Since, the funds of the company were blocked and there was no hope for immediate recovery of real estate market, the company decided to sell these shares to Sh. Rajesh Chaudhary who had shown his willingness to purchase these rights for total consideration of Rs.13,51,1 1,000/- . The contention of the assessee is wrong. No funds of the assessee were blocked. Infact no payment was made by the assessee to M/s Complete Engineers Pvt. Ltd. at the time of transaction. The payment of this transaction was made by the assessee on 06.10.2009 after the payment was received from M/s Moti Lal Oswal Securities Ltd on 05/10/09 Ltd. The assessee has not provided any evidence/information regarding the circumstances that required immediate funds. It is pertinent to note that the assessee has not undertaken any business during the year or afterwards that would indicate the requirement of the funds. Further the assessee has tried to show that it was a distress sale due to recession in the real estate market. It should be noted that there was no drastic meltdown in the real estate sector during***

that time that would have eroded the value of assets by such an extent within a period of 4 months.

The assessee has further submitted that Sh. Rajesh Chaudhary did not make any payment and kept on asking for more time. The submissions of the assessee are contradictory. On one hand the assessee is saying that due to lack of prospective buyers, the FSI was sold to Sh. Rajesh Chaudhary as he had shown willingness to buy the same, on the other hand it is submitting that Sh. Rajesh Chaudhary kept on asking for more time to make the payments. It is very strange that a company in such a great need of funds would sell its assets at huge loss to a person without inquiring into his financial credentials. Willingness of the buyer means that he should have had ready funds to purchase and willingness of the seller to sell at such a reduced value means the seller is satisfied of the capacity of the buyer to pay immediately. Notice u/s 133(6) was sent to Sh. Rajesh Chaudhary and information was called for to determine the genuineness of the transaction. **From the perusal of the ITR of Sh. Rajesh Chaudhary, it is seen that he is a person of no financial worth. Sh. Rajesh Chaudhary subsequently transferred his rights in favour of M/s Era Landmarks Ltd., another group company of M/s Era Group at the same sale consideration of Rs.13,51,11,000/- , The payment to the assessee from M/s Era Landmarks Ltd. is still outstanding till date. This further shows that the assessee was in no need of funds and the explanation of the funds being blocked has been manufactured by the assessee to provide a cloak of genuineness to this sham transaction. Therefore, in light of the above circumstances, it is clear that this transaction is a sham transaction and was just entered to set off the short term capital gains to reduce the tax liability.**

4.4 Hence the assessee cannot be given credit for the short term capital loss of Rs.27,94,97,000/-. During the year, the assessee has earned capital gains of Rs.27,92,30,441/-, which have been set off against the capital losses and the resultant capital losses of Rs.2,66,559/- have been carried forward. As discussed above, the assessee is not being given the credit of the losses. Hence Rs.27,92,30,441/- is added to the income of the assessee and loss of Rs.2,66,559/- is not allowed to be carried forward.”

[Emphasis supplied.]

3.4 Aggrieved with the assessment order, the assessee filed appeal before the Ld. CIT(A), who dismissed the appeal as under:

*“11 I have considered the facts of the case, written submissions of the appellant, including the various case laws relied upon by the appellant and the findings given by the Assessing Officer on this issue. On considering the facts of the case, I find that the transactions in respect of the sale of commercial FSI in Sirsa Project and sale of shares of M/s Mansarover Heritage Inn Pvt. Ltd, were arrangements made by the appellant between these parties to reduce its tax burden. It is pertinent to note that the appellant M/s Victory Realtech Pvt. Ltd M/s Goglet Infotech Pvt. Ltd, and M/s Big Ben Developers Pvt. Ltd. are all Era group companies and they used Sh Subhash Chaudhary in respect of transaction of commercial FSI in Sirsa Project and Sh. Rajesh Chaudhary in respect of transaction of sale of shares of M/s Mansarover Heritage Inn Pvt. Ltd. as conduit to give the colour of genuineness in the veil of sale of a FSI under the garb of Development Rights Sale Agreements and sale of shares under the garb of Share Purchase Agreement just to reduce the tax burden of the appellant on account of capital gain which was earned by the appellant during the year sale of shares. **What is more important to note is that, the ultimate ownership of the FSI project and the shares remained with the group companies only. The appellant made this cooked up story Just to adjust its entire short term capital gain with the sham transactions of a short term capital loss purported to have been suffered on the said bogus transactions. The writing of the Development Right Sale Agreements and Share Purchase Agreement on non-judicial paper was to use the same as colorable device to give genuineness to the otherwise bogus sale transactions.** These agreements were neither registered nor stamped by the notary and therefore, have no evidentiary value as such. Thus, these documents were motivated an afterthought just to create an evidence in order to reduce the tax liability of the appellant on account of income from short term capital gain on sale of shares.*

11.1 Further, on perusal of the record, I find that the appellant did not file any evidence to substantiate the circumstances which compelled it to compromise on such deals on which he claimed to have suffered a huge

loss of Rs.27,94,97,000/-. This is unbelievable as no real estate developer would enter into a deal which would result in such a huge loss. The appellant is not new in the business of real estate, land, development and related activities. It is also surprising that in none of the agreements there was an element of monetary consideration paid as "advance", which is a part of total deal. No basis was given as to how the valuation of the FSI project and shares sold was done. In the course of the assessment proceedings, the Assessing Officer had called for the furnishing of information u/s 133(6) of the I.T. Act, 1961 from the said Sh. Rajesh Chaudhary and Sh. Subhash Chaudhary, to determine the genuineness of the transaction and on perusal of their ITRs he found that they were persons of no financial capability to enter into such deal. The fact that M/s Big Ben Developers Pvt and Ltd to whom said Sh. Subhash Chaudhary had transferred his rights in the FSI project M/s Era Landmarks Ltd. to whom Sh. Rajesh Chaudhary had transferred his rights in shares had not made any payment to the appellant till the time of completion of the assessment. Even the appellant had not made any payment to the companies from whom he had purchased the Development Right in Sirsa project and shares. This itself shows that there was also no scarcity of funds which compelled the appellant to sell its project and shares at a throw away price and suffered a huge loss to the tune of Rs.27,94,97,000/-.

11.11 In view of the above discussion I am of the view that the Assessing Officer has rightly held that the transactions entered into by the appellant under Development Right Sale Agreement and Share Purchase Agreement were sham transactions used as a device to give colour of genuineness to a fictitious transaction. Therefore, considering these facts of the case, I hold that the Assessing Officer was justified in disallowing the short term capital loss of Rs.12,57,50,000/- on sale of development right in commercial project in Sirsa and Rs.15,37,47,000/- on sale of shares of Mansarover Heritage Inn Pvt. Ltd. which the appellant set off against the long term capital gain of Rs.27,92,30,441/- from sale of shares of M/s Era Intra Enginemen Ltd. another company of Era group of company. Accordingly, the impugned order of the Assessing Officer is confirmed and the grounds of appeal of the appellant on this issue are dismissed.”

[Emphasis supplied.]

4. At the outset, the Ld. Counsel did not press the issue of reopening of the assessment raised vide ground numbered 1, 1.1 and 2. Consequentially, these grounds stand dismissed.

5. On merit, the Ld. Counsel submitted that there were compelling circumstances to sell its assets at loss because the assessee was not having any hope that the market would recover from the slowdown and there was no further prospect to make profit from the assets in hands. The Ld. Counsel filed an application under the ITAT Rule 29 for admission of the additional evidence. It was submitted that the License NO. 190 of 2007 granted by Haryana Govt. & Country Planning expired on 27.06.2009 was difficult to get renewed. Hence, the commercial rights in FSI of this project was sold at loss. In respect of shares of M/s Mansarover Heritage Inn Pvt. Ltd., it was submitted that the permission of the said company to carry out construction in Jaipur faced litigation and there were bleak chances to complete the said project after the Hon'ble Rajasthan High Court's order and M/s Mansarover Heritage Inn Pvt. Ltd. was one of the parties to the PIL which was decided by the Hon'ble Rajasthan High Court. These facts and circumstances compelled the assessee to sell its assets in distress at loss. It was submitted that M/s Mansarover Heritage Inn Pvt. Ltd. whose shares were sold at loss was not a listed company. Further, it was submitted that Era Group of Companies and M/s Big Ben Developers Pvt. Ltd. was unrelated companies. Hence, the

finding of the AO and Ld. CIT(A) was not factually correct. M/s Goglet Infotech Pvt. Ltd. was a company of VPN Group from whom the commercial FSI rights were purchased. She argued vehemently that the STCL was genuine and prayed for allowing setting off of the STCL against the STCG.

6. On the other hand, the Ld. CIT-DR, placing reliance on the finding of the Authorities below, requested for dismissal of the appeal. He contended that the net worth of the companies from whom the commercial FSI of Sirsa Projects and shares of M/s Mansarover Heritage Inn Pvt. Ltd. purchased were negative at the time of purchases and sales thereof. He questioned the pricing of the commercial FSI rights of Sirsa Project and shares of M/s Mansarover Heritage Inn Pvt. Ltd. by submitting that these transactions were arranged. How purchases and sale of these assets would take place through journal entries rather than actual exchange of money. The self-serving documents evidencing such transactions could not determine the pricing at the time of purchases and sale of these assets particularly when the net worth of these companies at the time of purchases and sale of these assets were in negative.

7. We have heard both parties and have perused the material available on record. We find that the License No. 190 of 2007 granted by Haryana Govt. & Country Planning to VPN Buildtech Pvt. Ltd. and VPN Buildcon Pvt. Ltd. was valid upto 27.06.2009. The said license was not cancelled but extended upto

26.06.2013 as evident from the following scanned copy of the letter of
Directorate of Town and Country Planning, Haryana:

Directorate of Town and Country Planning, Haryana
SCO No. 71-75, 2nd Floor, Sector-17 C, Chandigarh, web site: tcpharyana.gov.in
Phone: 0172-2549349; e-mail: tcpharyana7@gmail.com

PUBLIC NOTICE

Licence No. 190 of 2007 dated 28.06.2007 was granted to VPN Buildtech Pvt. Ltd. VPN Buildcon Pvt. Ltd. C/o VPN Management & Consulting Ltd. B-292, Chandra Kanta Complex, Shop No. 8, near Metro Pillar No. 161, New Ashok Nagar, Delhi-110096 for development of a residential plotted colony for an area measuring 29.937 acres in the revenue estate of Village Vaidwala, District Sirsa which was valid up to 26.06.2013. Due to failure of the developer to deposit the outstanding dues amounting to Rs. 1155.19 lacs on account of EDC as on 11.01.2019, the aforesaid licence has been cancelled vide this office memo no.LC/911/JE(SS)/2019/1916-1924 dated 22.01.2019 and the administration of this colony has been taken over by the Director, Town and Country Planning, Haryana.

The colonizer has been restrained from selling of any unsold property in the said colony. The general public is advised not to indulge in any sale/purchase/transaction in respect of aforesaid licenced colony with above named developed. For further clarification, the office of Senior Town Planner, Hisar or District Town Planner, Sirsa may be contacted on any working day.

-Sd/-

(Jitender Sihag)
Chief Town Planner, Hr
Town & Country Planning Department
Haryana Chandigarh.

Place: Chandigarh
Dated: 23.01.2019

8. It is evident from the above that the VPN Group had completed its project at the same site. The assessee had not filed any letter showing cancellation of the project by the Directorate of Town and Country Planning, Haryana in the relevant year. Thus, we do not find any merit in the contention of the assessee that the said commercial FSI rights of Sirsa Project was sold in distress as the said license valid initially upto 27.06.2009 was extended upto 26.06.2013.

9. Further, the Ld. Counsel did not bring any material on the record to contradict the finding of Authorities below. How the purchase price determined for acquiring the said commercial FSI rights of Sirsa Project and shares of M/s Mansarover Heritage Inn Pvt. Ltd. was not demonstrated before us. Hence, we do not able to convince ourselves with the arguments of the Ld. Counsel that the prices of the commercial FSI rights of Sirsa Project and shares of M/s Mansarover Heritage Inn Pvt. Ltd. were based on the prevailing market rates at the time of purchase and sale transactions. It was very surprising to note that neither the purchase price for acquiring the said commercial FSI rights of Sirsa Project and shares of M/s Mansarover Heritage Inn Pvt. Ltd. was paid on the dates of said purchases nor the sale considerations of these assets were received at the time of the sale as no prudent business man would enter in such transactions particularly when the buyers of the said commercial FSI rights of Sirsa Project and shares of M/s Mansarover Heritage Inn Pvt. Ltd. were hand to mouth and had not any

money to make such purchases. The genuineness of transactions under reference was not established beyond doubt either before us or the Authorities below.

10. As far as the shares of M/s Mansarover Heritage Inn Pvt. Ltd. are concerned, the issue of pending PIL before the Hon'ble Rajasthan High Court was there even at the time of purchase of shares of M/s Mansarover Heritage Inn Pvt. Ltd. by the assessee, which is evident from the Writ No. 9497/2007. M/s Mansarover Heritage Inn Pvt. Ltd. was party to that PIL before the shares of M/s Mansarover Heritage Inn Pvt. Ltd. was bought by the assessee as evident from the said Writ No. 9497/2007. The PIL was for encroachment on Nala obstructing free flow of water. Such encroachment, if any done by M/s Mansarover Heritage Inn Pvt. Ltd. was not brought to our notice by the Ld. Counsel, where the Jaipur Development Authority had taken any action against the assessee which affected the business prospects of M/s Mansarover Heritage Inn Pvt. Ltd. Thus, we are not able to persuade ourselves with the contention of the Ld. Counsel that the assessee has sold shares of M/s Mansarover Heritage Inn Pvt. Ltd. in distress sale due to sluggishness in the market.

11. In view of the above, we do not find any merit in the case of the assessee. We therefore, decline to interfere with the finding of the Authorities below.

12. In the result, the appeal of the assessee is dismissed as above.

Order pronounced in open Court on 21.07.2025.

Sd/-

(ANUBHAV SHARMA)
JUDICIAL MEMBER

Sd/-

(AVDHESH KUMAR MISHRA)
ACCOUNTANT MEMBER

Dated:21/07/2025

Binita, Sr. PS

Copy forwarded to:

1. Appellant
2. Respondent
3. PCIT
4. CIT(Appeals)
5. CIT-DR: ITAT

ASSISTANT REGISTRAR
ITAT, NEW DELHI