

**INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "D": NEW DELHI
BEFORE SHRI M. BALAGANESH, ACCOUNTANT MEMBER
AND
SHRI VIMAL KUMAR, JUDICIAL MEMBER**

ITA No. 4004/Del/2025
(Assessment Year: 2023-24)

Nimmi Ramanathan, Rest House Road, Bangalore North, Bangalore, GPO, Bangalore, Karnataka	Vs.	ADIT, CPC(AO), Bengaluru
(Appellant)		(Respondent)
PAN: AWAPR1271L		

Assessee by :	None
Revenue by:	Shri Suresh Lakhawat, Sr. DR
Date of Hearing	10/11/2025
Date of pronouncement	28/11/2025

ORDER

PER M. BALAGANESH, A. M.:

1. The appeal in ITA No. 4004/Del/2025 for AY 2023-24, arises out of the order of the Commissioner of Income Tax (Appeals)-42, New Delhi [hereinafter referred to as 'Id. CIT(A)', in short] in dated 01.04.2025 against the order of assessment passed u/s 154 of the Income-tax Act, 1961 (hereinafter referred to as 'the Act') dated 10.01.2025 by the Assessing Officer, ADIT, CPC (AO), Bengaluru (hereinafter referred to as 'Id. AO').
2. None appeared on behalf of the assessee, hence, we proceed to dispose of this appeal on hearing the Id DR and perused the materials available on record. The assessee has raised following grounds of appeal:-

"1. *The Learned Appellate Authority has erred both in law and in facts in passing the impugned order in a cryptic and non-speaking manner, without properly adjudicating on the detailed submissions and grounds raised by the Appellant, thereby vitiating the principles of natural justice. Hence, the impugned order is liable to be quashed in toto.*

2. *The Learned Appellate Authority has erred both in law and in facts in omitting to follow the relevant provisions and procedural requirements prescribed under the Income Tax Act, 1961 and the rules thereon.*

3. *The learned Appellate Authority has erred both in law and in facts by engaging in speculative and adventurous surmises, crude maths and standard questionnaire proforma without adducing any cogent evidence to support the learned CPC's theory and preconceived notions.*

4. *The learned Appellate Authority has failed to apply its independent mind to the facts and merits of the case and has merely upheld the order of the learned CPC in a mechanical manner.*

5. *The Learned Appellate Authority has erred both in law and in facts in making additions contrary to the law and rules thereunder.*

6. *The Learned Appellate Authority has erred in law and in facts, by failing to address and adjudicate each of the grounds raised in the appeal.*

7. *The Learned Appellate Authority has erred both in law and in facts in failing to fully appreciate the facts and failing to fully consider the supporting explanations and failing to fully consider the documentary evidence in support of the claim presented by the Appellant.*

8. *The Learned Appellate Authority has erred in law and on facts in confirming the demand of Rs. 19,26,690 raised by the learned CPC, without addressing the Appellant's contention regarding the incorrect disallowance of the indexation benefit on long-term capital gains.*

9. *The learned Appellate Authority has erred in failing to appreciate that the Appellant had correctly computed and disclosed long-term capital loss after applying the lawful benefit of indexation, which is duly permissible under the Income Tax Act, 1961.*

10. *The Learned Appellate Authority has erred in law and in facts by failing to appreciate that the Appellant had correctly applied the benefit of indexation to the cost of acquisition of the immovable property, resulting in a long-term capital loss of Rs. 6,86,932, as against the sale*

consideration of Rs. 2,69,00,000 and the indexed cost of Rs. 2,75,86,932. The failure to recognize this lawful computation has led to an unjustified tax demand, which is contrary to the provisions of the Income Tax Act, 1961."

3. We have heard the rival submissions and perused the material available on record. The assessee is a senior citizen and filed her return of income for assessment year 2023-24 on 05.07.2023, declaring taxable income of ₹17,67,190/- and long-term capital loss carried forward to subsequent years of ₹6,86,932/-. During the year under consideration, the assessee sold an immovable property for a consideration of ₹2,69,00,000/-. The assessee after claiming deduction towards indexed cost of acquisition at ₹2,75,86,932/- claimed long-term capital loss of ₹6,86,932/- to be carried forward to subsequent years. The return was duly processed u/s 143(1) of the Act dated 16.04.2024 disallowing the indexation benefit claimed by the assessee in the return. Since, no reasons were attributed for denial of the said indexation benefit by the Id CPC, the assessee filed a rectification application once on 21.10.2024 and again on 02.12.2024 before the Id CPC. The Id CPC passed an order declining the benefit of indexed cost of acquisition. Aggrieved, the assessee is in appeal before us.

4. The Id CIT(A) agreed with action of the Id CPC by observing that assessee in respect of the indexed cost of acquisition had not filed the copy of purchase deed and other respective documents to justify the claim of long-term capital loss of ₹6,86,932/- and dismissed the appeal of the assessee.

5. We find that first of all, there was no occasion for the assessee to even know the reasons for which the claim of the indexation benefit was denied by the Id CPC. Hence, the action of the Id CIT(A) in dismissing the appeal of the assessee on the ground that purchase documents,

supporting documents, bank statement, etc were not filed by the assessee cannot be sustained. Further, in the interest of justice and fairplay, the fact of claim of assessee on account of indexed cost of acquisition needs to be factually proved by the assessee. Hence, we deem it fit and appropriate to restore this appeal to the file of the Id AO for de novo adjudication qua the issue in dispute before us in accordance with law. Needless to mention that the assessee be given reasonable opportunity of being heard. The assessee is at liberty to furnish fresh evidences, if any, in support of her contentions. With these observations, the grounds raised by the assessee are allowed for statistical purposes.

6. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open court on 28/11/2025.

-Sd/-
(VIMAL KUMAR)
JUDICIAL MEMBER

-Sd/-
(M. BALAGANESH)
ACCOUNTANT MEMBER

Dated: 28/11/2025
A K Keot

Copy forwarded to

1. Applicant
2. Respondent
3. CIT
4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR
ITAT, New Delhi