

**IN THE INCOME TAX APPELLATE TRIBUNAL,  
MUMBAI BENCH "F", MUMBAI**

**BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER  
And  
SHRI PRABHASH SHANKAR, ACCOUNTANT MEMBER**

**ITA No.5637/M/2025  
Assessment Year: 2013-14**

<b>Jyoti Embroidery Private Limited,</b> V1-0 Vara's House, 1 <sup>st</sup> Ganeshwadi, Ground Floor, Near MJ Market, Zaveri Bazar, Mumbai - 400002 PAN - AAACJ 0872 G	Vs.	<b>Income Tax Officer, Ward 10 (2)(1),</b> Aaykar Bhavan, M.K. Road, Mumbai - 400020.
(Appellant)		(Respondent)

**Present for:**

Assessee by : Shri Dharan Gandhi, Ld. AR  
Revenue by : Ms. Kavitha Kaushik, Ld. SR. DR

Date of Hearing : 04.11.2025  
Date of Pronouncement : 24.12.2025

**O R D E R**

**Per : Narender Kumar Choudhry, Judicial Member:**

This appeal has been preferred by the Assessee against the order dated **28.07.2025** impugned herein passed by the National Faceless Appeal Center (Ld. Commissioner of Income Tax (Appeals) (for short Ld. Commissioner) under Section 250 of the Income Tax Act, 1961 (for short the 'Act') for the AY **2013-14**.

**2.** In the instant case, the assessee has sold a land to M/s. Yogeshwar Farms Private Limited for a sale consideration of Rs. 2,15,00,000/- and claimed the long term capital gain of Rs. 1,58,00,000/- in the return of income filed on dated 28<sup>th</sup> September, 2013, declaring total income of Rs. 1,57,50,330/-. The AO considered the said claim of the assessee and ultimately found that the stamp duty value of the property is of

**Rs.387,39,000/-** and the assessee has sold the property for **Rs.2,15,00,000/-** i.e. less than the value adopted or assessed by the Valuation Authorities of the State Government and therefore he vide assessment order dated 25.09.2017 under Section 143 (3) read with under Section 147 of the Act, ultimately made the addition of **Rs. 1,72,39,000/-** being differential amount between the stamp duty valuation and the value declared by the assessee.

**3.** The assessee being aggrieved challenged the said addition by filing first appeal before the Ld. Commissioner and claimed that on the request of the assessee, the Ld. CIT (A) -17, Mumbai has asked to AO to refer the valuation and submit the report of the DVO, however, the Ld. Commissioner contradicted the said claim of the assessee and asked the assessee to provide the copy of the DVO, on the reason that how the assessee came to know about the report of the DVO called from the AO.

**4.** The assessee before the Ld. Commissioner neither filed any information nor provided any DVO report. Therefore, the Ld. Commissioner also issued multiple letters to the AO and the concerned Ld. PCIT to provide the report of the DVO, if any, in the case of the assessee, however, neither the status report nor the report itself was provided to the Ld. Commissioner. Therefore, considering the peculiar facts and circumstances in totality, the Ld. Commissioner affirmed the aforesaid addition by dismissing the appeal of the assessee.

**5.** Thus, the assessee being aggrieved has preferred the instant appeal. The Ld. Counsel at the outset by drawing attention of this Court to the Page nos. 73-84 of paper book has demonstrated that the District Valuation Officer – 1, I.T. Department, Mumbai– 12 has initially issued preliminary

valuation report dated 22.11.2019 under Section 55(A) and 50 (C) of the Act, along with annexures 1 and 2, on the basis of valuation and sale instances, estimating the fair market value of the property under consideration to the tune of **Rs. 2,17,78,000/-** and thereafter vide final valuation report dated 22-11-2019, reiterated the value of the property to the tune of **Rs. 2,17,78,000/-**.

**6.** We have given thoughtful consideration to the peculiar facts and circumstances and documents available on record including valuation reports and the submissions of the Assessee, which are not refuted by the Ld. DR. The aforesaid reports are not in denial by the Ld. D.R. however, the same are contrary to the findings of the authorities below, as the Ld. Commissioner has specifically mentioned in the order that no such direction was given for referring to the valuation of the property to the DVO.

**6.1** Whatsoever, it may be, the assessee has filed DVO's preliminary and final valuation reports, wherefrom it clearly appears that the District Valuation Officer -1, Mumbai has valued the property under consideration to the tune of **Rs.2,17,78,000/-** and it is an admitted fact that the assessee sold the property under consideration on a consideration of **Rs. 2,15,00,000/-** and the differential amount between the DVO report and the consideration amount shown by the assessee is of **Rs. 2,78,000/-** only, which is admittedly within the tolerance limit/leverage granted by the Statute and thus, the addition made by the AO and affirmed by the Ld. Commissioner, is liable to be deleted, however, subject to verification of the DVO's reports by the AO and thus, we direct the Jurisdictional Assessing Officer {JAO} to verify the DVO'S reports and on being finding the same as genuine, delete the addition under consideration.

7. In the result, assessee's appeal is allowed.

**Order pronounced in the open court on 24.12.2025.**

Sd/-  
**(SHRI PRABHASH SHANKAR)**  
**ACCOUNTANT MEMBER**

Sd/-  
**(NARENDER KUMAR CHOUDHRY)**  
**JUDICIAL MEMBER**

Tarun Kushwaha  
Sr. Private Secretary

Copy to: The Appellant  
The Respondent  
The CIT, Concerned, Mumbai  
The DR Concerned Bench

//True Copy//

By Order

Dy./Asstt. Registrar,  
ITAT, Mumbai.