

IN THE INCOME TAX APPELLATE TRIBUNAL
“SMC” BENCH, MUMBAI
BEFORE SMT. BEENA PILLAI (JUDICIAL MEMBER)

ITA No.7244/Mum/2025
Assessment Year: 2019-20

Mrs. Geeta Narendra Gandhi 601B, Shanti Appartment, 98 Walkeshar Road, Malabar Hill, Mumbai 400006 PAN:AAEPG9635K (Appellant)	Vs.	ITO Ward 19(1)(1), Mumbai Piramal Chambers, Mumbai 400012 (Respondent)
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Appellant by	Mr. Mayur Shah
Respondent by	Shri PushkarajBhangepatil SR DR

Date of Hearing	14/01/2026
Date of Pronouncement	28/01/2026

ORDER

Per: Smt. Beena Pillai, J.M.:

The present appeal filed by the assessee arises out of order dated 30.10.2025 passed by Ld. CIT(A) Ranchi for AY 2019-20 on following grounds of appeal:

“1) The learned appellate authority erred in confirming the addition u/s.143(1) r.w.s. 50C of the Act at Rs.5,71,157 on the ground that the appellant failed to furnish any valuation report or comparable data or seek reference to a DVO u/s.50C(2) of the Act when no such requirement is prescribed u/s.143(1) or Section 50C of the Act. It is prayed that the said addition be directed to be deleted (Tax effect 118800).

2) The learned appellate authority erred in deciding the appeal in violation of the principles of natural justice by failing to consider the written submissions or giving an opportunity of being heard and further holding that no one was present for the appellant when written submissions with a request for a hearing in virtual form were submitted on 31-01-2022, 25-12-2024 and 27-10-2025. It is prayed that the order u/s.250 be held to be unlawful, null and void and the appellate order be set aside.

3) The appellant craves leave to amend, alter or modify any of the above grounds of appeal or to add fresh grounds of appeal, if found necessary.”

Brief facts of the case are as under:

2. The assessee, an individual, and filed return of income for A.Y. 2019–20 declaring long-term capital gains on sale of an immovable property. The sale consideration reported was as per the registered sale deed, while the value adopted by the Stamp Valuation Authority (SDV) was higher.

2.1. During processing of the return under section 143(1)(a), the Centralized Processing Centre (CPC) made adjustment to substitute the declared sale consideration with the SDV in accordance with section 50C(1), resulting in an addition to the assessee’s long-term capital gains.

2.2. An intimation proposing adjustment was issued, and the assessee was afforded an opportunity to respond within 30 days as required under the second proviso to section 143(1)(a). Assessee objected to the proposed adjustment contending that stamp duty value does not represent the actual market value and that the adjustment u/s. 50C is not permissible to be made u/s.143(1)(a) of the Act.

2.3. The CPC, however, ignoring the submissions of the assessee passed order u/s. 143(1)(a) making addition in the hands being the difference between the agreement value and the stamp duty value.

Aggrieved by the addition made by the Ld. AO the assessee preferred appeal before the Ld. CIT(A).

3. Ld. CIT(A) after considering the submissions of the assessee observed that, the assessee did not furnish any valuation report or comparable market data. It was also noted that, assessee did not seek reference to DVO u/s. 50C(2) and that the objection raised by the assessee is merely technical and devoid of substantive evidences. The Ld. CIT(A) referred to various decisions and came to the conclusion that, as both sale consideration and stamp duty value was disclosed in the return, the difference was evident and did not require any external verification. It was also noted that, the CPC had duly provided opportunity to the assessee to respond before making adjustment.

3.1. The Ld. CIT(A) thus, opined that the adjustment made u/s. 143(1)(a) is thus, apparent in the return of income and is, therefore, within the scope of relevant section. The Ld. CIT(A) thus, dismissed the appeal filed by the assessee and upheld the addition made by the Ld. AO.

Aggrieved by the order of the Ld. CIT(A) assessee is in appeal before this *Tribunal*.

The Ld. AR before this *Tribunal* has raised following additional ground:

“1) The learned appellate authority erred in holding that the AO CPC was justified in invoking the provisions of Section 50C of the Act r.w.s.143(1) of the Act when the market value of the property as required to be computed under The Stamp Act is below the agreement value for the purpose of computing capital gains. It is prayed that the addition u/s.50C of the Act at Rs.5,71,157/- be directed to be deleted.”

4. The Ld. AR submitted that there are certain new additional evidences that has also been obtain in the form of valuation report reviling the stamp duty valuation for the relevant property was less then what was considered at the time of registration. He submitted that, the said property was registered by allegedly treating it to be shop, whereas what was sold by the assessee was an office premises. The Ld.AR submitted that, the stamp duty valuation for office premise as per the ready reckoner is lower than the stamp duty valuation of shop.

4.1. He submitted that the purchaser has made relevant application for refund of the excess stamp duty paid to the appropriate authority at the time of registration of the Deed of Agreement.

4.2. On the contrary, Ld. DR submitted that all these facts required proper verification as these are recently filed by the assessee before this *Tribunal*.

We have perused the submissions advance by both sides in the light of record placed before us.

5. It is noted that the assessee is a vender of the alleged premises whose value is the subject matter of considering applicability of section 50C in the present appeal. It is noted that the alleged premises was sold by the assessee vide agreement dated on 26.02.2018, and the Deed of Agreement was registered on the even date. It is noted that the agreement value as per of the Deed of Agreement was Rs. 32,51,000/-, and, the stamp duty paid was Rs. 1,95,100/- based on the ready reckoner of Rs.43,93,314/-

5.1. The contention of the Ld. AR before this *Tribunal* is that the said stamp duty valuation considered by the authority was of shops and that the stamp duty valuation in respect of office premises is much less as per ready reckoner. The Ld. AR submitted that this aspect came to the notice of the assessee subsequently, and informed the purchaser to take necessary steps for refund of excess stamp duty paid in respect of the purchase of the alleged premises.

5.2. The Ld. AR submitted that under such circumstances there cannot be any dispute u/s. 50C as the market value of the said premises sold by the assessee is less than the agreement value. The Ld. AR furnished before this Tribunal valuation report wherein all these, details have been considered.

5.3. However, it is noted that these facts need verification by the DVO and necessary action has been taken. In order to, ascertain the correct market value of the alleged premises sold by the assessee vide deed of agreement dated 26.06.2018. It is further noted that assessee is only one third owner of the alleged premises.

5.4. Considering the fact that, the above verification requires proper factual analysis, this *Tribunal* remits this issue back to the Jurisdictional Assessing Officer (JAO). The assessee is directed to furnish documents/proof in respect of the stamp duty that would be refunded if any to the purchaser in respect of the Deed of Agreement to support its contention. The Ld. AO shall considered the claim of the assessee, in accordance with law having regard to the fact that assessee is owing only one third share in the said premises that was sold.

Accordingly, the grounds raised by the assessee stands partly allowed for statistical purposes.

In the result, appeal filed by the assessee stands partly allowed for the statistical purposes.

Order pronounced in the open court on 28/01/2026

**Sd/-
(BEENA PILLAI)
Judicial Member**

Mumbai:
Dated: 28/01/2026
Divya Ramesh Nandgaonkar,
Stenographer

Copy of the order forwarded to:

- (1) The Appellant
- (2) The Respondent
- (3) The CIT
- (4) The CIT (Appeals)
- (5) The DR, I.T.A.T.

By order

(Asstt. Registrar)
ITAT, Mumbai