

IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI "C" BENCH : MUMBAI

BEFORE SHRI VIKRAM SINGH YADAV, ACCOUNTANT MEMBER
AND
SHRI SANDEEP SINGH KARHAIL, JUDICIAL MEMBER

ITA No. 4715/Mum/2025
Assessment Year : 2016-17

Camtech Engineers Private Limited, Plot No. A379, Road No.28, Cross Lane No. R-2, Wagle Ind. Estate, Thane, Maharashtra-400604. PAN : AABCC8248E	vs.	Income Tax Officer, Ward-1(1), Ashar IT Park, 6 th Floor, Road No. 16Z, Wagle Industrial Estate, Thane (West), Maharashtra-400604.
(Appellant)		(Respondent)

For Assessee :	Shri Ashok Bansal
For Revenue :	Shri Virabhadra Mahajan, Sr.DR

Date of Hearing :	02-02-2026
Date of Pronouncement :	09-02-2026

ORDER

PER VIKRAM SINGH YADAV, A.M :

This is an appeal filed by the assessee against the order of the Learned Commissioner of Income Tax (Appeals)-National Faceless Appeal Centre (NFAC), Delhi [‘Ld.CIT(A)’], dated 27-05-2025, pertaining to Assessment Year (AY) 2016-17.

2. Briefly, the facts of the case are that assessment in this case was completed u/s. 147 r.w.s. 144 r.w.s. 144B of the Income Tax Act, 1961 (‘the Act’), vide order dt. 09-03-2024, wherein the AO brought to tax a sum

of Rs. 1,53,72,000/- being the market value of immovable property sold by the assessee under the head 'Long Term Capital Gains', considering the cost of acquisition at NIL. The assessee thereafter, carried the matter in appeal before the Ld.CIT(A), who has since dismissed the appeal of the assessee and against the said order, the assessee is in appeal before us.

3. During the course of hearing, the Ld.AR submitted that the assessee has sold an immovable property namely, Maharashtra Industrial Development Corporation (MIDC) plot on 10-11-2015 for a consideration of Rs. 1,50,00,000/- in favour of M/s. Metrology Infosystems (I) Pvt. Ltd., in respect of which stamp duty was determined at Rs. 1,53,72,000/-. It was submitted that there is no dispute that full value of sale consideration for the purpose of computing the capital gains, which could be considered is Rs. 1,53,72,000/- as the sale consideration was lower than the stamp duty value as per the provisions of section 50C of the Act. At the same time, It was submitted that the property was purchased way back in the year 2001 for Rs. 55,72,000/- and indexed cost of which was around Rs. 1,41,52,880/- and on that basis, Long Term Capital Gain comes to only Rs. 12,19,120/- and the assessee is willing to deposit the taxes thereon. It was submitted that even during the course of assessment proceedings, the assessee has responded to the show cause vide letter dt. 07-12-2024, wherein the said fact was brought to the notice of the AO and it was also submitted that due to demise of the Managing Director of the assessee company, there was significant change in the organization operations and however, the assessee fully recognized the importance of compliance with all regulatory requirements and willing to rectify the lapse and prayer was made to furnish the return of income and make payment of taxes, after allowing cost of indexation. However, the same was not allowed to the assessee, which has also resulted in a situation where the whole of the

sale consideration has been brought to tax without allowing the cost of acquisition after indexation, which has resulted in huge tax liability on the assessee. It was submitted that the said fact was again reiterated before the Ld.CIT(A), however, the Ld.CIT(A) has again dismissed the appeal of the assessee.

4. Per contra, the Ld.DR is heard, who has relied on the orders passed by the lower authorities. It was submitted that though the assessee has contended that it has acquired property way back in the year 2001 for a consideration of Rs. 55,72,000/-, however, no documentary evidence has been furnished either before the AO or before the Ld.CIT(A), which has resulted in passing of the impugned order.

5. We have heard the rival contentions and perused the material available on record. The undisputed fact which is emerging from the records is that the assessee is not disputing that the sale consideration on sale of immovable property has to be brought to tax. The limited prayer raised by the assessee relates to allowing the necessary cost of acquisition after indexation and in this regard, we find that the assessee is consistent in its statement before the AO as well as before the Ld.CIT(A) that it has acquired the property way back in 2001 for Rs. 55,72,000/-, and the indexed cost acquisition comes to around Rs. 1,41,52,880/- and on this basis, the Long Term Capital Gain comes to around Rs. 12,19,120/- on which the assessee is ready to pay the taxes. During the course of hearing, the Ld.AR has stated at the Bar that the assessee has the necessary documentation to substantiate the acquisition of immovable property and can furnish the necessary documentation where the necessary opportunity is provided to the assessee. We, therefore, find that given that there was a reasonable cause for non-compliance/non-furnishing of documentation

due to demise of the Managing Director of the assessee-company, it would be appropriate to remit the matter to the file of the AO to consider the additional evidences, which the assessee seeks to file in support of the cost of acquisition and where the same is found to be in order, re-compute the capital gain liability in the hands of the assessee as per law, after affording reasonable opportunity to the assessee.

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

Order pronounced in the open court on 09-02-2026

Sd/-
[SANDEEP SINGH KARHAIL]
JUDICIAL MEMBER

Mumbai,
Dated: 09-02-2026

TNMM

Sd/-
[VIKRAM SINGH YADAV]
ACCOUNTANT MEMBER

Copy to :

- 1) The Appellant
- 2) The Respondent
- 3) The CIT concerned
- 4) The D.R, ITAT, Mumbai
- 5) Guard file

By Order

Dy./Asst. Registrar
I.T.A.T, Mumbai