

IN THE INCOME TAX APPELLATE TRIBUNAL
NAGPUR “SMC” BENCH : NAGPUR
(Through virtual)
BEFORE DR. MANISH BORAD, ACCOUNTANT MEMBER

I.T.A.No.657/NAG/2025
(Assessment Year : 2020-2021)

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| Onkarprasad Madhukar Funde, Mahamai Chowk, G.M.C. Comny, Gujewahi, Sindewahi, Chandrapur, Maharashtra. PAN : AEMPF 6980 Q (Appellant) | vs. | ITO, Ward-1, Chandrapur. (Respondent) |
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| For Assessee : | None |
| For Revenue : | Shri Surjit Kumar Saha, Sr.DR |

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| Date of Hearing : | 03.02.2026 |
| Date of Pronouncement : | 10.02.2026 |

ORDER

This appeal at the instance of the assessee is directed against the order of Ld. Commissioner of Income Tax (Appeals)/NFAC, Delhi [“CIT(A)”], dated 26/08/2025 passed u/s. 250 of the Income Tax Act, 1961 (for short, 'the Act') which is arising out of assessment order dated 07.03.2025 passed u/s. 147 r.w.s. 144 of the Act for the Assessment Year 2020-21 (A.Y.)

2. When the case called for, none appeared on behalf of the assessee, even though valid hearing of notice has been issued through RPAD. I, therefore, proceed to adjudicate the appeal

ex parte qua assessee with the assistance of Ld. Departmental Representative (DR) and the documents available on record.

3. At the outset, Ld. Sr. Departmental Representative (DR) submitted that assessee has purchased an immovable property claiming to be an agricultural land and that the consideration mentioned in the registered document is ₹5,00,000/- and the stamp valuation is ₹ 24,20,000/-. He further submitted Ld.AO has rightly been made the addition on the difference in sale consideration mentioned in the registered sale deed and the stamp duty valuation amounting to ₹19,20,000/- and further, assessee having not placed any details before the Ld.AO for the source of investment of ₹5,00,000/-, the same has also rightly been added to the total income of the assessee.

4. I have heard Ld.DR and perused the records placed before me. I observe that assessee is an individual and did not file regular return of income for A.Y. 2020-21. Based on the transaction about purchase of immovable property by the assessee at ₹ 24,20,000/- and based on the registered sale deed, assessee has been issued notice u/s. 148 of the Act. However, due to non-compliance by the assessee, best judgment assessment framed and the addition for unexplained investment at ₹ 5,00,000/- being consideration paid by the assessee as well as the difference in the fair market value and

sale consideration paid by the assessee amounting to ₹19,20,000/- has been added in the hands of the assessee. Even before the Ld.CIT(A), assessee failed to get any relief due to non-compliance.

6. Before this Tribunal, assessee has filed some details which indicate that assessee is a farmer and source of income is from agricultural operations. The immovable property in question is claimed to be agricultural land and not falling in the category of capital asset. It is also claimed that in the immovable property, assessee owns 1/10th share, therefore consideration paid by the assessee is only ₹ 50,000/- and not ₹ 5,00,000/- as adopted by the Assessing Officer. It is also claimed that since the property in question is an agricultural land and is not a capital asset as defined in section 2(14) of the Act, therefore, deeming provisions of section 56 (2)(x) are not applicable. For this purpose, reliance placed on the decision of Coordinate Bench of Delhi Tribunal in the case of *Ramnarayan vs. ITO* in ITA No. 767/DEL/2024. It is also claimed that assessee did not get fair opportunity of hearing before the lower authorities.

7. On due consideration of the contents of the statement of facts and in the larger interest of justice and being fair to both the sides, I deem it appropriate to set aside the impugned order and direct the Ld. Jurisdictional Assessing Officer (JAO)

to carry out *denovo* assessment after duly considering the facts narrated by the assessee in the appeal filed before this Tribunal and examining the same as to whether assessee's share is 1/10th of the property; whether the immovable property is an agricultural land; and also whether assessee's source of income is from agricultural operations. After duly examining these details, Ld. JAO shall decide in accordance with law. Needless to mention that Ld.JAO shall grant fair opportunity of hearing to the assessee. Assessee is also directed to remain vigilant and not to take adjournments unless otherwise required for reasonable cause. Effective grounds of appeal raised by the assessee are allowed for statistical purposes.

8. In the result, appeal of the Assessee is allowed for statistical purposes.

Order pronounced in the open Court on 10.02.2026

Sd/-
[MANISH BORAD]
ACCOUNTANT MEMBER

Dated : 10th February, 2026

vr/-

Copy to

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| 1. | The appellant |
| 2. | The respondent |
| 3. | The Pr.CIT, Nagpur concerned. |
| 4. | D.R. ITAT, SMC Bench, Nagpur. |
| 5. | Guard File. |

//True Copy //

By Order

Senior Private Secretary
ITAT, Nagpur