

आयकर अपीलीय अधिकरण, 'ए' न्यायपीठ, चेन्नई।
IN THE INCOME TAX APPELLATE TRIBUNAL
'A' BENCH: CHENNAI

श्री जॉर्ज जॉर्ज के, उपाध्यक्ष, एवं सुश्री पदमावती यस, लेखक सदस्य के समक्ष
BEFORE SHRI GEORGE GEORGE K, VICE PRESIDENT AND
MS. PADMAVATHY.S, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.3274/Chny/2025
निर्धारण वर्ष /Assessment Year: 2014-15

Sudalai Mani Gurumoorthi,
30 Palani Bhavan, Tamaraikulam
North, Mannargudi,
Thiruvarur – 614 001.
PAN: AASPG 8281B

The Asst. Commissioner of Income
Tax,
Circle-1,
Thanjavur.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by
प्रत्यर्थी की ओर से /Respondent by

: Mr.S. Girish Kumar, Advocate
: Ms. R. Kavitha, Addl. CIT

सुनवाई की तारीख/Date of Hearing
घोषणा की तारीख /Date of Pronouncement

: 21.01.2026
: 05 .02.2026

आदेश / ORDER

PER PADMAVATHY.S, A.M:

This appeal by the assessee is against the order of the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre (NFAC), Delhi, (in short "CIT(A)") passed u/s. 250 of the Income Tax Act, 1961 (in short "the Act") dated 15.10.2025 for Assessment Year (AY) 2014-15.

2. The assessee is an individual and is a partner in two firms. The assessee filed the return of income for AY 2014-15 on 21.04.2015 declaring a total income of Rs.21,85,370/- and agricultural income of Rs.2,89,110/-. The AO noticed that the assessee has purchased a property during the year under

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consideration for Rs.82,00,800 and that the guideline value of the property fixed by JSRO is Rs.1,82,33,200/-. The AO accordingly reopened the assessment by issue of notice u/s.148 of the Act. The AO called on the assessee to explain as to why the difference cannot be added as income u/s.56(2)(vii)(b) of the Act. The assessee submitted that the market value of the property is less than the guideline and that the Highway Department of the Government has acquired the adjacent land for a similar price. The assessee also submitted that the guideline value is subsequently reduced by 1/3rd and therefore no addition u/s.56(2)(vii)(b) is warranted. The assessee without prejudice submitted that a reference to the valuation officer may be made. The AO did not accept the submissions of the assessee regarding the market value. The AO however made a reference to the valuation officer on 11.12.2018 and since the valuation of report was not received the AO passed the order u/s.147 due to time limits for completing the assessee wherein the AO made an addition of Rs.1,00,32,400/- u/s.56(2)(vii)(b) of the Act. The AO had stated in the assessment order that the addition would be revised after receipt of valuation report. Aggrieved, the assessee filed further appeal before the CIT(A). The assessee did not appear before the CIT(A) and the CIT(A) passed an ex-parte order upholding the order of the AO.

3. We heard the parties and perused the material on record. The Ld. AR submitted that notices issued by the CIT(A) have been sent to wrong email id and hence the assessee did not represent before the CIT(A). The Ld. AR submitted a paper book containing the details of email id correspondence to substantiate the said contentions. Considering the facts and the documentary evidences, we see merit in the claim of the assessee that there is a genuine reason for not appearing before the CIT(A). Further on perusal of the order of

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the AO, we notice that the AO has made the addition subject to revision based upon the valuation report. We also notice that the CIT(A) while upholding the addition has directed the AO to adopt the lower of the value as per valuation report or registering authority for the purpose of section 56(2)(vii)(b). It has been brought to our notice during the course of hearing there is no revision made to the addition and that the assessee is not aware of the status of the valuation report. Considering the facts and circumstances unique to assessee's case, we deem it fit remit the appeal back to the AO for examining the impugned issue based on the valuation report and modify the addition in accordance with law. Needless to say that the assessee be given a reasonable opportunity of being heard. It is ordered accordingly.

4. In the result, the appeal is allowed for statistical purposes.

Order pronounced on 05TH day of February, 2026 at Chennai.

Sd/-
(जॉर्ज जॉर्ज के)
(George George K)
उपअध्यक्ष / Vice President

Sd/-
(पदमावती यस)
(Padmavathy.S)
लेखा सदस्य / Accountant Member

चेन्नई/Chennai, दिनांक/Dated: 05TH February, 2026.

EDN, Sr. P.S

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT, Chennai/Madurai/Coimbatore/Salem
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF