

**IN THE INCOME TAX APPELLATE TRIBUNAL  
“ SMC ” BENCH MUMBAI**

**BEFORE HON’BLE SHRI SANDEEP GOSAIN, JUDICIAL MEMBER &  
HON’BLE SHRI PRABHASH SHANKER, ACCOUNTANT MEMBER**

**ITA No. 7486/Mum/2025  
(Assessment Year: 2017-18)**

Muthuraj S Velu Flat No. 503, 5 <sup>th</sup> Floor, Divine Shelter, Anna Nagar, Mumbai - 400017	Vs.	Income Tax Officer Piramal Chamber, Lal Baug, Parel Mumbai - 400012
PAN/GIR No. AAQPY7157		
(Applicant)		(Respondent)

Assessee by	Shri M.E. Joe-Adv
Revenue by	Shri Brajendra Kumar (SR. DR.)

Date of Hearing	10.02.2026
Date of Pronouncement	01.04.2026

अदेश / ORDER

**PER SANDEEP GOSAIN, JM:**

The present appeal has been filed by the assessee challenging the impugned order 29.10.2025 passed u/s 250 of the Income Tax Act, 1961 (‘the Act’), by the National Faceless Appeal Centre, Delhi (NFAC) for the assessment year 2017-18. The following grounds are reproduced below:

*“That on the fact and circumstances the impugned order passed by the Commissioner of Income Tax (Appeals) 48, Mumbai on the appeal No. CIT (A), NFAC/2016-17/10459414 which was filed against the impugned Order u/s.143 (3) of Income Tax Act, 1961 dated 22/03/2025 is bad in law as the Appellate authority failed to consider the grounds raised by the appellant.*

*1) On the fact and circumstances of the case the Ld. CIT (A) Errored by adding and confirming the order passed by the AO towards the LTCG of Rs. 1284154/-on Sale of Property. Which is not justified.*

*2) On the fact and circumstances of the case the Ld. CIT (A) totally ignored/overlooked the evidence of purchase made by the assessee which is not justified. evidence made which was submitted during the appellate proceeding.*  
”

2. All the grounds raised by the assessee are interrelated and interconnected and relates to challenging the order of the Ld. CIT(A) in confirming the additions made by the AO on account of long-term capital gains amounting to Rs. 12,84,154.

3. We have heard the counsel for both the parties, perused the material placed on record, the judgments cited before us, and also the orders passed by the Revenue Authorities. From the records, we noticed that the case of the assessee was reopened on the basis of information regarding a high-value transaction on account of the sale of immovable property of Rs. 15,00,000. In this regard, although the AR had made submissions that the assessee had made improvements to the property in question from own savings, hand loan from his brother, and by mortgaging jewelry, the assessee failed to substantiate the cost of acquisition of the property and did not furnish any documentary evidence such as a registered purchase deed, development expenditure vouchers, or any other relevant/contemporaneous documents to

support the claim. Thus, mere assertions without supporting documents were not accepted.

4. Although the assessee filed a detailed affidavit for the first time before us and relied upon the decision in the case of Neelam Nanani vs. ITO in ITA No. 3489/M/2016 decided on 08.03.2019, considering the above facts and since the assessee should justify its claim by furnishing credible supporting evidence, we are inclined to restore the issue back to the file of the AO for *de novo* adjudication after providing due opportunity of hearing to the assessee. Therefore, this ground raised by the assessee is allowed for statistical purposes.

5. Before parting, we make it clear that our decision to restore the matter back to the file of AO shall in no way be construed as having any reflection or expression on the merits of the dispute which shall be adjudicated by AO independently in accordance with law.

6. In the result appeal filed by the assessee is allowed for Statistical purposes.

Order pronounced in the open court on 01.04.2026

SD/-

**(PRABHASH SHANKER)**  
**ACCOUNTANT MEMBER**

SD/-

**(SANDEEP GOSAIN)**  
**JUDICIAL MEMBER**

Mumbai, Dated 01/04/2026

**आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / The CIT(A)
4. आयकर आयुक्त (अपील) / Concerned CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, मुम्बई/ DR, ITAT, Mumbai
6. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//

आदेशानुसार/BY ORDER,

उप/सहायक पंजीकार ( Asst. Registrar)  
आयकर अपीलीय अधिकरण, मुम्बई / ITAT, Mumbai