

IN THE HIGH COURT OF DELHI AT NEW DELHI

ITA 1456/2006

COMMISSIONER OF INCOME TAX Appellant
Through: Ms.Prem Lata Bansal, Advocate.

versus

RAJIV MEHTA Respondent
Through:Mr.Alok Bhachawat, Advocate.

CORAM:
HON'BLE MR. JUSTICE MADAN B. LOKUR
HON'BLE DR. JUSTICE S. MURALIDHAR

O R D E R
09.10.2007

1. The Revenue is aggrieved by an order dt. 17th Feb., 2006 passed by the Income-tax Appellate Tribunal ('Tribunal'), Delhi Bench 'E', in IT(SS)A No. 141/Del/2002 relevant for the block period 1st April, 1989 to 27th July, 1999 and IT(SS)A No. 155/Del/2002. The present appeal has been preferred in respect of ITA(SS)A No. 141/Del/2002.

2. The only question that has come up for consideration is with regard to the value of the property being the ground floor at E-16/12, Kalkaji, New Delhi.

3. According to the assessee he has purchased the property for a sum of Rs.20 lacs under a registered document. However, the AO relied upon the statement

given by the wife of the assessee to the effect that the property was actually purchased for Rs. 70 lakhs.

4. The matter was referred to the Valuation Cell of the IT Department. By his report dt. 13th Aug., 2001, the Valuation Officer valued the property at Rs. 31.44 lakhs. However, the AO did not go by the report of the Valuation Officer and chose to accept the value as stated by the wife of the assessee.

5. The CIT(A), while partly allowing the assessee's appeal, reduced the value of the property to Rs. 25.15 lakhs.

6. In the further appeal by the assessee, the Tribunal set aside the findings of the authorities below and accepted the case put forth by the assessee. The Tribunal noted that there was marital discord between the assessee and his wife and that criminal proceedings had also been launched. In the circumstances, the Tribunal opined that the value of the property as indicated by the assessee's wife was not reliable.

7. As regards the other piece of corroborative evidence, the AO had proceeded on the basis that the property dealer who brokered the deal had indicated in his books that the property had been sold for Rs. 70 lakhs. However, the Tribunal

noted that on cross-examination the property dealer had denied that the property had been brokered by him. He further stated that the figure noted in his books did not pertain to the property in question.

8. As regards the valuation of the property by the Valuation Cell, the Tribunal noticed that the Valuation Officer had admitted that he had not called for any comments from the assessee nor allowed an opportunity to the assessee to file an objection. It also found that the Revenue had not produced any evidence to show why the value of the property, as indicated in the registered document should not be relied upon.

9. It is well-settled that a registered document indicates the value of the property, unless it is rebutted by reliable evidence to the contrary.

10. We do not find any infirmity in the view taken by the Tribunal. We find that this case involves the appreciation of evidence on record and does not raise any substantial question of law.

11. The appeal is dismissed.

MADAN B. LOKUR, J

OCTOBER 09, 2007 S. MURALIDHAR, J