THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

AND

THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM

I.T.C.No.6 of 2003

ORDER: (Per the Hon'ble Sri Justice L.Narasimha Reddy)

The petitioner is a Contractor and is an assessee under the Income Tax Act, 1961 (for short 'the Act'). For the assessment year 1990-91, he has shown the cost of construction of a building at Rs.4,52,000/-. The Assessing Officer doubted the correctness of that figure. To buttress his contention, the petitioner filed a report of a Registered Valuer, which has disclosed the figure of Rs.4,25,000/-. On his part, the Assessing Officer got the structure valued through a Departmental Valuation Officer, according to whom, it was Rs.9,63,300/-. The Assessing Officer ultimately took the cost at Rs.7,69,717/- and levied the tax accordingly. In the appeal preferred by the petitioner, the Commissioner (Appeals) took the figure as Rs.6,53,000/-. Not satisfied with that, the petitioner filed I.T.A.No.745 of 1994 before the Hyderabad Bench of the Income Tax Appellate Tribunal. The appeal was dismissed, on 22.08.1997. Feeling aggrieved by the outcome of the appeal, the petitioner filed R.A.No.31/VZG/97, with a prayer to refer the questions framed by him to this Court for answer. Accordingly, the Tribunal passed an order, dated 14.02.2002, refusing to refer the questions. Hence, this I.T.C., under Section 256(2) of the Act.

Heard Sri Y.Ratnakar, learned counsel for the petitioner, and Sri S.R.Ashok, learned Standing Counsel for the respondent.

The gist of the questions framed by the petitioner is that when there is lack of agreement between the authorities under the Act being Departmental Valuer, the Assessing Officer and the Commissioner

(Appeals), it cannot be said that the assessment was done in accordance with law. We find it difficult to accept such a broad proposition. It is only on the possibility of existence of difference of opinion not only on facts and figures, but as to the understanding of the relevant provisions of law that hierarchy of remedy is provided. The petitioner is not able to point out any question of law. At any rate, the valuation of the property is a pure question of fact.

We, therefore, reject the I.T.C. There shall be no order as to costs.

The miscellaneous petition filed in this I.T.C. shall also stand disposed of.

L.NARASIMHA REDDY, J.

CHALLA KODANDA RAM, J.

Date:26.08.2014

GJ