

**IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCHES "B": HYDERABAD
(THROUGH VIRTUAL CONFERENCE)**

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER**

ITA No. 282/H/2020 Assessment Years: 2016-17		
Padmavathi Charapanamjeri, Hyderabad. PAN - ACUPC9269P (Appellant)	Vs.	Asst. Commissioner of Income-tax, Circle - 14(1), Hyderabad. (Respondent)
Assessee by:		None
Revenue by:		Shri Rohit Mujumdar
Date of hearing:		12/01/2022
Date of pronouncement:		17/01/2022

ORDER

PER L.P. SAHU, A.M.:

This appeal filed by the assessee is directed against CIT(A) - 6, Hyderabad's order dated 07/06/2019 for AY 2016-17 involving proceedings u/s 143(3) of the Income Tax Act, 1961 ; in short "the Act", on the following grounds of appeal:

"1. The order of the Appellate Commissioner is contrary to law, facts and circumstances of the case.

2. The Appellate Commissioner erred in not considering the cost of improvement and betterment charges amounting to Rs.9,35.010/- as disallowed by the A.O, and giving partial relief of Rs.2,00,000/- thereon.

3. The Appellate Commissioner ought to have considered the total cost of improvement and betterment charges at Rs.9.35,010/- and not RS.2,00,000/- as per the order.

4. The Appellate Commissioner erred in confirming the disallowance of deduction claimed u/s.54F of the Income Tax Act, as disallowed by the A.O

5. The Appellate Commissioner ought not to have ignored the proviso to section 54, which stipulates that the unutilized portion of the 5 deduction shall be charged to tax on the expiry of 3 years from the date of transfer of the original assessment.

6 Any other grounds which the appellant may urge either at or before the date of hearing.”

2. Briefly the facts of the case are that the assessee had filed e-return of income for the AY 2016-17 on 29/03/2018 declaring total income of Rs. 2,23,37,720/- consisting of income from house property, income from capital gains and income from other sources. Subsequently, the case was selected for scrutiny under CASS and accordingly, statutory notices were issued to the assessee. In response to the said notices, the AR of the assessee furnished the information.

3. The AO completed the assessment by recomputing the long term capital gains at Rs. 3,28,58,595/- on the ground that the assessee failed to furnish documentary proof in respect of the investment for claim of deduction u/s 54F as well as in the absence of proof of cost of improvement the claim of cost of improvement was also disallowed.

4. When the assessee preferred an appeal before the CIT(A), the CIT(A) partly allowed the appeal of the assessee based on the written submissions filed by the assessee when the assessee failed to appear before him.

5. Aggrieved by the order of CIT(A), the assessee is in appeal before the ITAT.

6. At the time of hearing of this appeal, none appeared on behalf of the assessee. Therefore, we proceed to dispose of this appeal after hearing the ld. DR and the facts available on record.

7. We have considered the submissions of ld. DR and perused the material on record as well as gone through the orders of revenue authorities. On perusal of assessment order, we find that the AO disallowed the assessee's claim of deduction u/s 54F on the ground that the assessee failed to furnish documentary proof in respect of investment for

claim of deduction u/s 54F. On the other hand, the CIT(A) decided the appeal of the assessee based on the written submissions filed by the assessee when the assessee failed to represent her case before him. Therefore, on considering the totality of facts and circumstances of the case, we are of the view that to meet the ends of justice, the matter is restored to the file of AO with a direction to redecide the issue after examining the material that will be put-forth by the assessee to substantiate her claim u/s 54F and cost of improvement before him. We direct the assessee to appear before AO with all the relevant evidences to substantiate her claim; at its own risk and responsibility to be followed by three effective opportunities of hearing.

8. In the result, appeal of the assessee is treated as allowed for statistical purposes in above terms.

Pronounced in the open court on 17th January, 2022.

Sd/-
(S.S. GODARA)
JUDICIAL MEMBER

Sd/-
(L. P. SAHU)
ACCOUNTANT MEMBER

Hyderabad, Dated: 17th January, 2022.

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<i>3</i>	<i>CIT(A) -6, Hyderabad.</i>
<i>4</i>	<i>PR. CIT - 6, Hyderabad.</i>
<i>5</i>	<i>ITAT, DR, Hyderabad.</i>
<i>6</i>	<i>Guard File.</i>