

**IN THE INCOME TAX APPELLATE TRIBUNAL
"C" BENCH : BANGALORE**

**BEFORE SHRI GEORGE GEORGE K, VICE PRESIDENT
SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER**

ITA No.116/Bang/2024
Assessment Year : 2017-18

Narayanaswamy Raju, Horamavu Agara Village, KR Puram, Bangalore East Taluk, Bengaluru-560 043. PAN – ADLPR 8982 L	Vs.	The Asst. Commissioner of Income Tax, Circle-1(2)(2), Bangalore.
APPELLANT		RESPONDENT

Assessee by	:	Shri C Ramesh, CA
Revenue by	:	Shri V Parithivel, JCIT (DR)

Date of hearing	:	14.03.2024
Date of Pronouncement	:	22.03.2024

ORDER

PER SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER

This is an appeal filed by the assessee against the order passed by the NFAC, New Delhi on 29/11/2023 u/s 250 of the Income-tax Act, 1961 (Act) in DIN No. ITBA/NFAC/S/250/2023-24/1058314229(1) for the assessment year 2017-18.

2. The sole and substantive issue raised by the assessee that the deduction u/s 54 of the Act for Rs.1,74,00,000/- has not been allowed by the AO for want of evidences for proof of expenditure as well as the completion of the house within the stipulated period. It is also noticed that the appeal of the assessee before the first appellate authority has been decided ex-parte. The reason for deciding the appeal by the First Appellate Authority (FAA) ex-parte was that several notices issued from the Office of the first appellate authority were not complied with by the assessee.

3. The ld.AR of the assessee submitted that assessee did not get any of the notices from the Office of the First Appellate Authority, therefore, assessee could not comply to any of the notices. He further submitted that during the course of assessment proceedings, the schedule of details of expenditure was submitted but due to voluminous bills and vouchers, the same could not be uploaded and the house was constructed by the assessee in his own supervision. The ld. AR of the assessee undertook that if a chance is given to represent the case of the assessee, he will comply the notices, therefore, the matter may be sent back to the AO to decide the case afresh.

4. On the other hand, the ld.DR relied on the orders of authorities below and strongly objected in sending back the appeals, since the AO has decided the issue rightly. The FAA has given ample opportunities to the assessee to comply his case but the assessee deliberately did not comply any of the notices issued by the FAA. Since both the authorities have rightly decided the case of the assessee on merits with the material available with them, it is not necessary to send the file back to the AO.

5. After considering the rival submissions, we note that the assessee has claimed deduction u/s 54F of Rs.1,70,00,000/-. During the course of assessment proceedings, the assessee submitted the schedule of the expenditures, the details of the bills and vouchers were not submitted and the AO noted that whether the construction has been completed within the period of stipulated time by June, 2019 or not is not clear. The FAA decided the case ex-parte due to non representation from the assessee side. Considering the request made by the ld.AR of the assessee and in the interest of justice, we are remitting the issue back to the file of the AO for fresh consideration. The AO is directed to give reasonable opportunity of being heard to the assessee and decide the issue as per law. The assessee is directed to produce the

necessary documents for substantiating her case and to avoid unnecessary adjournments for early disposal of the case and update the email, mobile No. and address for communication.

6. In the result, appeal of the assessee is allowed for statistical purposes.

Order pronounced in court on 22nd day of March, 2024.

Sd/-
(GEORGE GEORGE K)
Vice President

Bangalore,
Dated : 22.03.2024.
Vms

Sd/-
(LAXMI PRASAD SAHU)
Accountant Member

Copyto:

1. The Applicant
2. The Respondent
3. The CIT
4. The CIT(A)
5. The DR, ITAT, Bangalore.
6. Guard file

By order

Asst. Registrar, ITAT, Bangalore.