

**आयकर अपीलीय अधिकरण, कोलकाता पीठ 'सी', कोलकाता**  
**IN THE INCOME TAX APPELLATE TRIBUNAL "C" BENCH KOLKATA**

**Before Shri Sanjay Garg, Judicial Member and Shri Rakesh Mishra, Accountant Member**

**I.T.A. No.110/Kol/2024**  
Assessment Years: 2016-17

**Sakti Dasgupta.....Appellant**  
**Sakti Dasgupta GD 277,**  
**Salt Lake, Kolkata – 700106.**  
**[PAN: ACRPD0675M]**

**vs.**

**ACIT, Circle-7(1), Kolkata..... Respondent**

**Appearances by:**

Shri S. K. Tulsian, Advocate and Puja Somani, CA, appeared on behalf of the assessee.

Shri Sailen Samadder, Addl. CIT- Sr. DR, appeared on behalf of the Revenue.

Date of concluding the hearing : June 05, 2024

Date of pronouncing the order : July 31, 2024

**आदेश / ORDER**

**संजय गर्ग, न्यायिक सदस्य द्वारा / Per Sanjay Garg, Judicial Member:**

The present appeal has been preferred by the assessee against the order dated 18.12.2023 of the National Faceless Appeal Centre [hereinafter referred to as 'CIT(A)'] passed u/s 250 of the Income Tax Act (hereinafter referred to as the 'Act').

2. The sole issue involved in this appeal is relating to the quantum of deduction allowable to the assessee u/s 54F of the Act on account of purchase of new residential house.

3. The lower authorities have restricted the deduction claimed by the assessee of Rs.7,15,07,713/- u/s 54F of the Act to the extent of 50% stating that the assessee has purchased new residential house in joint name with her daughter.

4. At the outset, the ld. Counsel for the assessee has submitted that the assessee and her husband are old aged persons of 73 years and 85

years respectively. The house has been purchased by the assessee in joint name with her only daughter, Ms. Manisha Choudhury. There is no dispute that the amount earned by the assessee on account of sale of securities (capital gains) was duly invested by the assessee in purchase of new residential house.

5. The ld. DR, on the other hand, has relied the findings of the lower authorities.

6. We have considered the rival contentions and gone through the record. It has been held time and again that the provisions of section 54F are beneficial provisions intending for the purchase and construction of new residential house. The assessee and her husband admittedly are old aged. The house has been purchased in joint name with their only daughter who is the only legal heir of the assessee and her husband. In our view, the lower authorities were not justified in denying the deduction of the beneficial provisions of section 54F to the assessee, mainly because of the assessee is an old aged lady, has included the name of his daughter in the purchase deed who is the only legal heir and life support in their old age. We find that the issue is squarely covered by the various decisions of Hon'ble High Courts including that of the Hon'ble Punjab & Haryana High Court in the case of 'CIT Vs Gurnam Singh', IT Appeal No. 616 of 2007 vide order dated 01.04.2008, reported in (2008) 76 CCH 472 (P&H) : (2008) 170 Taxman 0160 wherein, the Hon'ble High Court, in respect of identical claim of deduction u/s 54B of the Act, has held that the deduction u/s 54B could not be denied merely because the land was purchased in joint name of assessee and his only son who was bachelor and dependent upon him. Similarly, the Hon'ble Delhi High Court in the case of CIT Vs Kamal Wahal ITA 4/2013 vide order dated 11.01.2013 reported in (2013) 84 CCH 0024 (Del HC) : (2013) 214 Taxman 0287, in respect of

claim of deduction u/s 54F of the Act has held that where the new house was purchased in the name of the wife of the assessee and it was established that the purchase consideration was invested out of the property sold by the assessee, the deduction cannot be denied u/s 54F of the Act. Identical view has been taken by the Hon'ble Delhi High Court in the case of 'Ravinder Kumar Arora vs. CIT' reported in [2011] 15 taxmann.com 307. In the case in hand also, there is no rebuttal to the contention that the assessee has invested the consideration received on the sale of securities for purchase of new house, however, in joint name with her daughter. The issue is squarely covered by the aforesaid decisions of the Hon'ble Punjab & Haryana High Court in the case of "CIT Vs Gurnam Singh" (supra) and of the Hon'ble Delhi High Court in the case of "CIT Vs Kamal Wahal" (supra) and in the case of 'Ravinder Kumar Arora vs. CIT' (supra). Therefore, respectfully following the orders of the Hon'ble Delhi High Court and Hon'ble Punjab & Haryana High Court (supra), it is held that the assessee is entitled to 100% of the deduction claimed u/s 54F of the Income Tax Act. Accordingly, the appeal of the assessee stands allowed.

7. In the result, appeal of the assessee stands allowed.

***Kolkata, the 31<sup>st</sup> July, 2024.***

Sd/-

**[Rakesh Mishra]**

लेखा सदस्य/Accountant Member

Sd/-

**[Sanjay Garg]**

न्यायिक सदस्य/Judicial Member

Dated: 31.07.2024.

RS

*Copy of the order forwarded to:*

1. Sakti Dasgupta
2. DCIT, Circle-7(1), Kolkata
3. CIT (A)-
4. CIT- ,
5. CIT(DR),

//True copy//

By order

Assistant Registrar, Kolkata Benches