



**IN THE INCOME TAX APPELLATE TRIBUNAL
JABALPUR BENCH "DB", JABALPUR**

**BEFORE SHRI KUL BHARAT, VICE PRESIDENT AND
SHRI, NIKHIL CHOUDHARY, ACCOUNTANT MEMBER**

ITA No. 10/JAB/2025
Assessment Year: 2016-17

Shri Narsingh Ranga Sharda Chowk, Nagpur Road, Jabalpur, Madhya Pradesh- 482001.	v.	DCIT, Circle-2(1) Aaykar Bhawan, Napier Town, Jabalpur, Madhya Pradesh-482001.
PAN:ACMPR1917P		
(Appellant)		(Respondent)

Appellant by:	Shri Sanjay Seth, CA		
Respondent by:	Shri Alok Bhura, Sr. CIT(DR)		
Date of hearing:	21	05	2025
Date of pronouncement:	11	06	2025

ORDER

PER KUL BHARAT, VICE PRESIDENT.:

This appeal, by the assessee, is directed against the order of the Learned Commissioner of Income-tax (Appeals)/National Faceless Appeal Centre (NFAC), Delhi dated 18.11.2024 pertaining to the assessment year 2016-17. The assessee has raised the following grounds of appeal: -

"1. That on the facts and in the circumstances of case the addition made is patently wrong and unwarranted. That the addition of Rs. 2,28,36,750/- made by AO is not correct as the assessee has invested the amount of sale proceed of Rs. 2,64,20,000/- within the period of 3 years from the date of sale of property. For the year under consideration AO has only to verify that the amount o investment which is to be deposited under section 54 as been invested with bank under long term capital gain scheme or not. That as per the provisions of section 54 of the act only says that the assessee should construct the house that does not mean that the construction of house should necessarily be completed within stipulated time is view was been taken by Hon'ble Madhya Pradesh High Court in the case of Smt. Shashi Varma v. CIT 1997) 224 ITR 106 (MP) and various other court an Hon'ble ITAT benches.

Notice issued by CIT(A) for fixing the case for hearing responded by the assessee as he is suffering from cancer and prostate due to which the adjournment were taken. Last time case was fixed for hearing on 09.08.2023 and assessee has requested for adjournment on 9.08.2023 (copy of ack, no 173303061090823 enclosed as per Annexure), after which

assessee under gone prostate surgery in the month of October 2023, September 2024 and Cancer surgery in May 2024 copy of discharge card is enclosed as per Annexure 2). CIT(A) has not given any date of hearing after 19.08.2023 and directly passed the ex-party order o 18.11.2024 and dismissed the appeal of assessee which is not correct. It is requested kindly delete the addition made by AO.

2.The assessee craves leave to add alter any of the grounds of appeal before or at the time of hearing.”

2. The facts giving rise to the present appeal are that in this case, the assessee filed his return of income for the A.Y. 2016-17, declaring total income of Rs.54,20,660/-. Thereafter, the case was selected for re-opening of assessment u/s 147 of the Income Tax Act, 1961 (“the Act”, for short) for the wrong claim of deduction u/s 54F of the Act amounting to Rs.2,28,36,750/- by the assessee. The Assessing Officer disallowed the deduction amounting to Rs.2,28,36,750/- claimed u/s 54F of the Act qua purchase of new asset by the assessee. Thus, the Assessing Officer computed income at Rs.2,82,57,410/- against the returned income of Rs.54,20,660/- u/s 147/143(3) r.w.s 144B of the Act. Aggrieved by this order, the assessee preferred appeal before the Ld. CIT(A), who also passed exparte order against the assessee. Now the assessee is in appeal before this Tribunal.

3. Apropos to the grounds of appeal, the Ld. Counsel for the assessee contended that both the lower authorities have passed exparte order against the assessee. The assessee was not afforded sufficient opportunity by the authorities below, therefore, he prayed that the matter may be remanded back and the authorities below may be directed to provide adequate opportunity.

4. On the other hand, the Ld. Departmental Representative (DR) contended that the assessee was provided multiple opportunities but he failed to avail the same. He submitted that in the absence of any supporting evidences. The authorities

below are justified in making the impugned additions. He also contended that the AO has discussed the issue elaborately; hence, there is no merit into the claim of the assessee.

5. Heard, the Ld. Representatives of the parties and perused the material available on record. The assessee has taken multiple grounds including the ground of not receiving the notice issued u/s 148 of the Act. Admittedly, the appeal of the assessee has been dismissed by the Ld. CIT(A) without adverting to the grounds raised and deciding the issue on merits. We, therefore, set aside the impugned order and restore the grounds to the file of the Ld. CIT(A) to decide it afresh, after giving adequate opportunity of hearing to the assessee. The assessee is hereby directed not to seek any adjournment without any medical exigency. Grounds raised in this appeal are allowed for statistical purpose.

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

Order pronounced in the open Court on 11/06/2025.

Sd/-
[NIKHIL CHOUDHARY]
ACCOUNTANT MEMBER

Sd/-
[KUL BHARAT]
VICE PRESIDENT

DATED: 11/06/2025

Vijay Pal Singh, (Sr. PS)

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent
3. The CIT (Judicial)
4. The PCIT
5. DR, ITAT, Jabalpur
6. Guard File

By order

// True Copy//

Assistant Registrar
ITAT, Jabalpur