

IN THE INCOME TAX APPELLATE TRIBUNAL
"SMC" BENCH, NAGPUR

BEFORE SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER

ITA no.503/NAG/2025
(Assessment Year :2020-21)

Sayed Nazim Maoinuddin Quazi,
Pltono.11-A & House
Noquadri Enclave, Opp. Suri Laws
Behind Police Line Takli
Nagpur 440 013,
Maharashtra.
PAN-AAAPQ2442A

..... Appellant

v/s

Income Tax Officer
Ward-2(3), Nagpur,
Maharashtra.

..... Respondent

Assessee by:Ms.Alfiya Rozie, A.R.
Revenue by :Shri Surjit Kumar Saha, Sr.DR

Date of Hearing – 10/10/2025

Date of Order – 10/10/2025

ORDER

The assessee has filed the appeal against the order dated 12/02/2025, passed by the CIT(A)/ National Faceless Appeal Centre(NFAC), Delhi, under section 143(3)r.w.s144 and u/sec 250 of the Income Tax Act, 1961 (for short "*the Act*"). The assessee has raised the following grounds of appeal:-

"1. Whether on the facts and circumstances of the case, the learned CIT (Appeals) was justified in affirming the additions made by the learned AO pertaining to addition of the entire sale consideration of Rs.36,00,000/- to the total income of the appellant without giving the benefit of indexed cost of acquisition to the appellant.

2. Whether on the facts and circumstances of the case the learned Assessing Officer was justified in disallowing the exemption claimed by the appellant

3. The appellant craves leave to add or alter any other ground that may be taken at the time of hearing of this case.

2. At the time of hearing, the Ld.AR of the assessee submitted that there is a delay of 115 days in filing the appeal before the Hon'ble Tribunal and the assessee has filed an application for condonation of delay explaining the sufficient cause. Whereas the facts mentioned in the Affidavit/application are reasonable and the learned D.R. has no specific objections. Accordingly, the delay is condoned and the appeal is admitted.

3. The brief facts of the case are that, the assessee has filed return of income for the A.Y. 2020-21 on 31.12.2020 disclosing a total income of Rs.6,65,330/-. Subsequently, the case was selected for scrutiny and the assessee has disclosed long term capital gain and claimed exemption u/sec 54F of the Act. The Assessing Officer has issued notice u/sec 142(1) of the Act to explain the sale transaction of property and Long term capital gains and claiming of exemption u/sec54F of the Act and there was partial compliance. Further, the Assessing Officer has issued a show cause notice dated 19/03/2022, and the assessee has filed the details along with registered sale deed and the details of claim of exemption. Whereas, the Assessing Officer was not satisfied with the

claim and re-computed the capital gains and disallowed deduction u/sec 54F of Rs.20,89,984/- and similarly the Assessing Officer found that the assessee could not produce the details of cost of acquisition, date of execution, agreement details and, therefore, made the addition of Rs.36,00,000/- as short term capital gains and assessed the total income of Rs.42,65,330/- and passed the order u/sec 143(3) r.w.s. 144AB of the Act dated 26/09/2022. Aggrieved by the order, the assessee has filed appeal before the Hon'ble Tribunal.

4. In appellate proceedings, the CIT(A) has considered the grounds of appeal, statement of facts, findings of the Assessing Officer and issued notices of hearing and since there was no compliance to the notices by the assessee, the CIT(A) considering the information on record has confirmed the action of the Assessing Officer and dismissed the appeal of the assessee by passing ex-parte order. Aggrieved by the order of the CIT(A), the assessee has filed appeal before the Hon'ble Tribunal.

5. At the time of hearing, the learned Authorised Representative for the assessee (for short "*the learned A.R.*") submitted that the CIT(A) has erred in sustaining action of the assessing officer overlooking the proceedings. Further, the Ld.AR submitted that the assessee has a good case on merits and prayed for an opportunity to substantiate the claim with material evidences and information before the jurisdictional officer. Per Contra, the Ld.DR relied on the order of the CIT(A).

6. Heard the submissions of the rival submissions and perused the material available on record. The CIT(A) has dismissed the assessee's appeal, as there was no compliance to the notices issued on various dates referred at Page 3 Para 5 of the order in the appellate proceedings. Further the CIT(A) is of the opinion that the assessee is not interested in prosecuting its appeal and has confirmed the action of the Assessing Officer. Whereas, the assessee has raised grounds of appeal challenging the action of the assessing officer. There could be various reasons for non-compliance by the assessee which cannot be ruled out. Hence, considering the facts, circumstances, and to meet the ends of justice, the assessee should be provided with one more opportunity for hearing. Accordingly, the order of the CIT(A) is set aside and restore the disputed issues to the file of the CIT(A) to adjudicate issue afresh on merits and the assessee should be provided adequate opportunity of hearing and the assessee should also co-operate in submitting the information for early disposal of appeal. And the grounds of appeal of the assessee are allowed for statistical purposes.

7. In the result, the appeal filed by the assessee is allowed for statistical purposes.

Order pronounced on 10/10/2025 as per rule 34(5) of the ITAT Rules 1963

Sd/-
(PAVAN KUMAR GADALE)
JUDICIAL MEMBER

Copy of the order forwarded to:

- (1) The Assessee;
- (2) The Revenue;
- (3) The PCIT / CIT (Judicial);
- (4) The DR, ITAT, Nagpur; and
- (5) Guard file.

Pradeep J. Chowdhury
Sr. Private Secretary

True Copy
By Order

Sr. Private Secretary
ITAT, Nagpur