

IN THE INCOME TAX APPELLATE TRIBUNAL, DELHI 'C' BENCH,  
NEW DELHI

BEFORE SHRI ANUBHAV SHARMA, JUDICIAL MEMBER, AND  
SHRI NAVEEN CHANDRA, ACCOUNTANT MEMBER

ITA No. 849/DEL/2025 [A.Y 2012-13]

Shri Chandi Ram Sehajwani  
Through L/H Shri Dinesh Kumar  
C/o Shri Krishan Lal Kalra, Adv  
857-858, Sethi Chowk, Panipat  
Haryana

Vs. The ITO  
Ward -1  
Panipat, Haryana

PAN - AGOPS 1130 R

(Assessee)

(Respondent)

Assessee By : Shri K.L. Kalra, Adv

Department By : Shri Om Prakash, Sr. DR

Date of Hearing : 25.11.2025

Date of Pronouncement : 25.11.2025

PER NAVEEN CHANDRA, AM :-

This appeal by the assessee is directed against the order of the  
NFAC, Delhi dated 19.12.2024 pertaining to A.Y 2012-13.

2. The grounds raised by the assessee read as under:

1. That the Honorable Commissioner of Income Tax (Appeals) has  
arbitrarily on presumption, assumption and against the facts and  
law, disallowed the benefit U/S 54F of Income Tax Act, 1961, on

the version that the sale deed should have been executed, but there is no such condition U/S 54F of Income Tax Act, 1961. The assessee relied on circular no. 471 dated 15.10.1986 (F. No. 207/7/85-IT A-II) and circular no. 672 dated 16.12.1993 and the cases decided on as under:-

- (i) ACIT circle 69 (1) New Delhi v/s Sanjay Choudhary Delhi on 23.01.2023 Income Tax Appellate Tribunal Delhi.
- (ii) ITAT No. 239 (Del) 2010, Assessment year 2006-2007 Dy.Commissioner of Income Tax Circle 31(i) New Delhi V/S Smt. Sita Devi Wadhwa, 1103, Akash Deep, B.K. Road, New Delhi.
- (iii) Mrs. Seetha Subramanian V/s ACIT (1996) 59 ITD (Mad Tribunal)
- (iv) Smt. Shashi Verma V/s CIT (1997) 224ITR 106 (M.P.)

2. That no response u/s 133(6) by any party cannot be the ground to dismiss the appeal.

3. That there was no need to issue notice U/S 133 (6) of Income Tax Act, 1961 to Developer Company, as the developer have signed the transfer deed and also issued the receipt in the name of Assessee for payments made directly to the Builder.

4. That the Honorable Commissioner (Appeals) had accepted in the order itself that the Assessee had filed the bank statement to establish, that the payments were made from the account of the assessee.

5. That no observation is made on the order appealed against.

6. That no observation is made on the submissions made by the assessee.

7. That the order itself is not a speaking order.

8. That the impugned order may please be quashed and relief may please be granted, on the grounds of appeal stated above and notification and cases relied upon.

9. That the appellate may crave, alter, modify and withdraw any ground of appeal, before the date of hearing."

3. Brief facts of the case are the assessee had sold his factory at plot no. 64 Sector-25, HUDA, Panipat for the consideration of Rs 1,01,00,000/- on 17.01.2012. On the sale of above factory and plot, long

term capital accrued amounting to Rs 51,73,052/-. Out of above consideration, the assessee invested a sum of Rs 53,24,790/- on the purchase of residential flat No. 401, Tower no. 10th, Fourth floor, Noida (U.P) from Sh. Raj Kumar S/O Shyam Lal R/O 701, Saransh Apartments 34, I.P. Extension Patparganj, Delhi. The original purchaser of flat purchased from developer M/S Granite Gate Properties (P) Ltd, a Company incorporated and registered under the Companies Act, 1956, having its registered office at 93-B Mittal Court, Nariman Point, Mumbai 201301 and Corporate office at Tech Boulevard, Central Block, Plot No. 6, Sector 127, Noida (U.P).

4. The assessee transferred the amount of Rs. 41,27,530/- in the account of Shri Raj Kumar, the seller through account Payee Cheque with Indian Overseas Bank Ltd, Panipat and the same was cleared on 17.05.2012. Direct payment of Rs 11,97,260.25 was also made to developer from his Saving Account with Indian Overseas Bank Ltd. On investment of Rs 53,24,790/- on the Residential flat the assessee has claimed the exemption u/s 54 F of Income Tax Act, 1961. On receipt of above payment of Rs 53,24,790/- the Flat was transferred in the name of Purchaser, Sh. Chandi Ram Sahajwani, on 11.05.2012 with the prior permission of company, as per sub clause no. 6.5 of clause no. 6th of agreement, which is meant for "Ownership and Transfer".

5. During the course of scrutiny assessment proceedings, the Assessing Officer observed that the documents submitted by the assessee have been examined and on perusal of the same it was observed that the property purchased in Noida is in name of Sh. Raj Kumar S/o Shyam Lal, Partap Ganj, Delhi. The assessee is a nominee to Shri Raj Kumar and not the actual owner. No bank statement or any evidence for investment in purchase of new property was provided by the assessee despite repeated opportunities allowed to him. In absence of which, it was not verifiable whether any investment was made by the assessee to claim exemption u/s 54F of the Act. Moreover, no details of the house owned by assessee was filed. Moreover, the AO issued notice u/s 133(6) of the IT Act dated 11.12.2019 to the company which sold the house in Noida to assessee asking for some information in respect of owners/ownership of the aforementioned property and copy of account of assessee in their books of account etc. But no reply was received in this regard from the company.

6. In view of the above, the exemption claimed u/s 54F of the IT Act by the assessee was disallowed and Long Term Capital gain of Rs. 51,73,052/- arising on the sale of immovable property for a consideration of Rs. 1,01,00,000/- was added to the income of the

assessee for A.Y. 2012-13. Penalty proceedings u/s 271(1)(c) to the extent of Rs. 51,73,052/- were initiated separately.

7. Aggrieved, the assessee went in appeal before the ld. CIT(A).

8. After considering the facts and submissions, the ld. CIT(A) concluded that in order to claim the deduction u/s. 54F of the Act, the assessee should be the owner of the property. Since the assessee had not filed the copy of the sale deed even during the course of appellate proceedings, the CIT(A) upheld the addition of Rs. 51,73,052/- made by the Assessing Officer.

9. Aggrieved further, the assessee is in appeal before us.

10. Before us, both the rival representatives reiterated what has been stated before the lower authorities.

11. We have heard the rival submissions and have perused the relevant material on record. We find that the assessee has claimed to have sold factory and plot and invested the sale consideration in a flat and claimed deduction u/s 54F of the Act. We also find that executed and registered sale deed was not filed. In view of the above factual matrix of the instant case, we are of the considered view that the assessee was not accorded adequate and sufficient opportunity to furnish the relevant documents to establish the ownership over the property purchased.

Therefore, in the interest of justice and fair play, we deem it fit to restore the issue to the file of the Assessing Officer for verification. The Assessing Officer is directed to decide the issues afresh after affording a reasonable and adequate opportunity of being heard to the assessee. The assessee is also directed to provide necessary information/documents/evidence as required by the authorities to establish his claim of deduction u/s 54F of the Act.

12. In the result, appeal of assessee in ITA No. 849/DEL/2025 is allowed for statistical purposes.

Order pronounced in open court on 25.11.2025.

Sd/-

**[ANUBHAV SHARMA]**  
**JUDICIAL MEMBER**

Sd/-

**[NAVEEN CHANDRA]**  
**ACCOUNTANT MEMBER**

Dated: 16<sup>th</sup> JANUARY, 2026.  
VL/

Copy forwarded to:

1. Assessee
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar,  
ITAT, New Delhi

Sl No.	PARTICULARS	DATES
1.	<i>Date of dictation of Tribunal Order</i>	
2.	<i>Date on which the typed draft order is placed before the Dictating Member</i>	
3.	<i>Date on which the typed draft order is placed before the other Member [in case of DB]</i>	
4.	<i>Date on which the approved draft order comes to the Sr. P.S./P.S.</i>	
5.	<i>Date on which the fair Order is placed before the Dictating Member for sign</i>	
6.	<i>Date on which the fair order is placed before the other Member for sign [in case of DB]</i>	
7.	<i>Date on which the Order comes back to the Sr. P.S./P.S for uploading on ITAT website</i>	
8.	<i>Date of uploading, inf not, reason for not uploading</i>	
9.	<i>Date on which the file goes to the Bench Clerk</i>	
10.	<i>Date on which the file goes for Xerox</i>	
11.	<i>Date on which the file goes for endorsement</i>	
12.	<i>The date on which the file goes to the Superintendent for checking</i>	
13.	<i>Date on which the file goes to the Assistant Registrar for signature on the order</i>	
14.	<i>Date on which the file goes to the dispatch section for dispatch the Tribunal order</i>	
15.	<i>Date of Dispatch of the Order</i>	
16.	<i>Date on which the file goes to the Record Room after dispatch the order</i>	