

आयकर अपीलीय अधिकरण न्यायपीठ “एक-सदस्य” मामला रायपुर में

**IN THE INCOME TAX APPELLATE TRIBUNAL  
RAIPUR BENCH “SMC”, RAIPUR**

**श्री पार्थ सारथी चौधरी, न्यायिक सदस्य के समक्ष  
BEFORE SHRI PARTHA SARATHI CHAUDHURY, JUDICIAL MEMBER**

Sl. No.	ITA No.	Name of Appellant	Name of Respondent	Asst. Year
1.	831/RPR/2025	Titiksha Chhajed Aidan Jamnalal Chhajed, Sadar Bazar, Rajnandgaon (C.G.)- 491 441 PAN: BQLPC6103N	The Income Tax Officer, Ward-Rajnandgaon	2024-25
2.	832/RPR/2025	Siddhi Chhajed Aidan Jamnalal Chhajed, Sadar Bazar, Rajnandgaon (C.G.)- 491 441 PAN: BNKPC7168K	The Income Tax Officer, Ward-Rajnandgaon	2024-25

Assessee by : Shri Parasmal Chhajed, CA  
Revenue by : Dr. Priyanka Patel, Sr. DR

सुनवाई की तारीख / Date of Hearing : 03.03.2026

घोषणा की तारीख / Date of Pronouncement : 03.03.2026

**आदेश / ORDER****PER PARTHA SARATHI CHAUDHURY, JM**

The captioned appeals preferred by the assessee emanates from the respective orders of the Ld.CIT(Appeals)/NFAC, dated 21.11.2025 & 17.10.2025 for the assessment year 2024-25 as per the grounds of appeal on record.

2. Both the parties herein conceded that since the facts and issues involved in these appeals are absolutely similar and identical, therefore, the cases may be taken up together and dispose of vide this consolidated order.

3. The common grievance raised by the assessee in both these appeals is that the exemption u/s.87A r.w. Clause (a) of the Income Tax Act, 1961 (for short 'the Act') has been denied in the assessment year 2024-25. That in ITA No.831/RPR/2025 for A.Y.2024-25, the exemption claimed u/s. 87A of the Act against short term capital gains was Rs.25,000/- and in ITA No.832/RPR/2025 for A.Y.2024-25, the exemption claimed u/s. 87A of the Act against short term capital gains was Rs.19,192/-.

4. During the First Appellate proceedings, the Ld. CIT(Appeals)/NFAC had upheld the addition made by the CPC/A.O on the technical ground of method of computation. The Department has not denied the fact that the

assessee in her return of income had declared income below Rs.7 lakhs. That so far as the assessee viz. Titiksha Chhjed is concerned, she had filed her return of income declaring total income at Rs.6,87,370/-. Similarly, the assessee viz. Siddhi Chhjed had filed her return of income declaring total income at Rs.6,49,360/-. The clause (a) w.e.f. 01.04.2024 of Section 87A of the Act mandates as follows:

**“87A.** An assessee, being an individual resident in India, whose total income does not exceed five hundred thousand rupees, shall be entitled to a deduction, from the amount of income-tax (as computed before allowing the deductions under this Chapter) on his total income with which he is chargeable for any assessment year, of an amount equal to hundred per cent of such income-tax or an amount of twelve thousand and five hundred rupees, whichever is less:

[**Provided** that where the total income of the assessee is chargeable to tax under sub-section (1A) of section 115BAC, and the total income—

- (a) does not exceed <sup>3</sup>[seven] hundred thousand rupees, the assessee shall be entitled to a deduction from the amount of income-tax (as computed before allowing for the deductions under this Chapter) on his total income with which he is chargeable for any assessment year, of an amount equal to one hundred per cent of such income-tax or an amount of <sup>4</sup>[twenty-five] thousand rupees, whichever is less;”

5. That as discernable from the afore-stated, the total income should not exceed seven hundred thousand rupees i.e. Rs.7 lakhs. In both these cases, as per returned income, it is less than seven hundred thousand rupees i.e. Rs.7 lakhs. The Ld. CIT(Appeals)/NFAC had upheld the addition made by the CPC/A.O on the ground of technicalities of not computing the deduction according to the relevant provisions, whereas, the Ld. CIT(Appeals)/NFAC had commented nothing about whether any prejudice is caused to the Revenue or not if not providing the exact

method of computation. The fact of the matter remains that so far as returned income is concerned, the total income is less than Rs.7 lakhs according to Clause (a) of Section 87A of the Act, in such scenario, the assessee is entitled for deduction. That when the statute itself has to be interpreted in its strictest form since being the fiscal statute, therefore, therein deduction has to be allowed where the total income does not exceed Rs.7 lakhs and this fact is fulfilled in the returned filed by the both the assessee before me. Such deduction could not be disallowed only on the ground of technicality for not computing it in proper format without even pointing out whether any loss has been caused to the Revenue. In the totality of the facts and circumstances, I set-aside the respective orders of the Ld. CIT(Appeals)/NFAC and direct the A.O to allow the relevant deduction to the assessee while providing appeal effect of this order.

6. As per the above terms grounds of appeal raised by the assessee in both the appeals are allowed.

7. In the result, both the appeals of the assesseees are allowed.

Order pronounced in open court on 03<sup>rd</sup> day of March, 2026.

Sd/-  
**(PARTHA SARATHI CHAUDHURY)**  
न्यायिक सदस्य/JUDICIAL MEMBER

रायपुर / Raipur; दिनांक / Dated : 03<sup>rd</sup> March, 2026.

SB, Sr. PS

**आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT-1, Raipur (C.G.)
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "एक-सदस्य" बेंच,  
रायपुर / DR, ITAT, "SMC" Bench, Raipur.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Senior Private Secretary  
आयकर अपीलीय अधिकरण, रायपुर / ITAT, Raipur