

**IN THE INCOME TAX APPELLATE TRIBUNAL
“A” BENCH: BANGALORE**

**BEFORE SHRI PRASHANT MAHARISHI, VICE PRESIDENT
AND
SHRI KESHAV DUBEY, JUDICIAL MEMBER**

ITA No.2535/Bang/2025
Assessment Year: 2016-17

Edakalthur Rapheal Francis 36, 10 th Cross EGI Pura PO Viveknagar Bengaluru 560 017 PAN NO : AAFPF3840E	Vs.	ITO Ward International Taxation-1(1) Bengaluru
APPELLANT		RESPONDENT

Appellant by	:	Shri Vighnesh, A.R.
Respondent by	:	Sri N. Balusamy, D.R.

Date of Hearing	:	17.02.2026
Date of Pronouncement	:	21.04.2026

O R D E R

PER KESHAV DUBEY, JUDICIAL MEMBER:

This appeal at the instance of the assessee is directed against the order of Id. CIT(A), Bengaluru-12 dated 22/09/2025 vide DIN and order no: ITBA/APL /S/250/2025-26/1081016230(1) passed u/s. 250 of the Income Tax Act, 1961 (in short “the Act”) for the AY 2016-17.

2. The assessee has raised the following grounds of appeal: -

1. That the order of the Id. CIT(A) in so far is prejudicial to the interest of the appellant is bad and erroneous in law and against the facts and circumstances of the case.

Grounds on order u/s. 250 of the Income Tax Act, 1961 (the Act)

2. The learned CIT(A) erred in passing the order on the very same day on which the adjournment was sought by the appellant.

3. That the learned CIT(A) erred in law and on facts in passing an order without providing an opportunity of being heard which is against the principle of natural justice and liable to be quashed.

Deduction of cost of acquisition and cost of improvement

4. That the learned CIT(A) erred in law and on facts in passing the order without considering the cost of acquisition and cost of improvements.
5. That the learned CIT(A) ought to have considered that the appellant has made investment towards construction of property and claimed deduction u/s. 54F of the Act.
6. That the learned CIT(A) erred in not considering the fact that after claiming the benefit of section 54F the total income was not chargeable to tax.
7. That the learned CIT(A) ought to have considered the fact that the 6th proviso to section 139 of the Act was enabled w.e.f. 01/04/2020 only.
8. Without prejudice to the above the learned CIT(A) ought to have considered the income from sale of property under the head "Capital Gains" rather than "Income from Other Sources".

3. Before us, both the parties fairly conceded that the assessee could not represent his case before the both authorities below. Before us, the ld. A.R. of the assessee vehemently submitted that one more opportunity may be granted before the AO to substantiate his claim. This being so, in the interest of justice, equity and fair play and as requested by ld. A.R. of the assessee, we deemed it fit and proper to remit the entire issues in dispute to the file of ld. AO to decide afresh in accordance with law. Needless to say, reasonable

opportunity of being heard must be granted to the assessee. The assessee is also directed to produce all the relevant documents/ records/ evidences to substantiate his claim within 90 days from the date of this order. We make it clear that in case of further default, the assessee shall not be entitled for any leniency. It is ordered accordingly.

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

Order pronounced in the open court on 21st Apr, 2026

Sd/-
(Prashant Maharishi)
Vice President

Sd/-
(Keshav Dubey)
Judicial Member

Bangalore,
Dated 21st Apr, 2026.
VG/SPS

Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The DR, ITAT, Bangalore.
5. Guard file

By order

Asst. Registrar,
ITAT, Bangalore.