

**IN THE INCOME TAX APPELLATE TRIBUNAL,
DELHI 'SMC' BENCH, NEW DELHI**

BEFORE SHRI H.S. SIDHU, JUDICIAL MEMBER

ITA No. 7212/DEL/2018
[Assessment Year: 2015-16]

HARINDER SINGH GROVER,
C-187, DEFENCE COLONY,
NEW DELHI – 24
(PAN: AASPS1343L)
[Appellant]

Vs. ITO, WARD-54(4),
NEW DELHI

[RESPONDENT]

Assessee by: Shri Dinesh Chandra, Adv.
Revenue by : Sh. Pradeep Singh Gautam, Sr. DR.

ORDER

This appeal by the assessee is preferred against the order of the Ld. Commissioner of Income Tax [Appeals]-11, New Delhi dated 30.8.2018 pertaining to assessment year 2015-16 on the following grounds:-

"1- That on facts and circumstances the Commissioner of Income Tax (Appeal) XVIII (herein after called the CIT (A) has erred in law and on facts in disallowing a sum of Rs. 27,96,656/- as interest expenses claimed U/S 57 during the year but actually not paid during the year.

2- That on facts and circumstances the CIT (A) has erred in law that the spirit of Section 43B of the Income Tax Act is clearly limited up to and only to the interest payment to financial institutions and not otherwise.

3- That on facts and circumstances the CIT (A) has erred in law and on facts that interest provided (but not paid) to individuals on unsecured loans does not

fall under the ambit of Section 43B of the Income Tax Act.

4- That on facts and circumstances the CIT (A) has erred in law That not considering all the evidences supporting the claim of interest expenditure incurred e.g. Confirmation from parties, ITR Acknowledgements, Bank Statements with their PAN, Address, Details of Loan carried forward from previous year, Loan taken & repaid during the year, Rate of interest paid, Amount of Interest paid Closing Balances of Loans and payment detail of interest paid are held in record with Id. A.O.

5- That on facts and circumstances of the case, the order passed by the CIT (A) is bad in law and void ab-initio.

6- That the assessee craves leave of this Hon'ble court to add, amend, alter or vary any or all the above grounds either or before at the time of hearing, if the circumstances arises.

PRAYER

It is, therefore, prayed that:

i). That illegal and impugned demand of Rs. 4,94,990/-created on account of that assessee has claimed interest expenses as deduction u/s 57 amounting to Rs. 29,17,998/-, may kindly be deleted.

It is prayed accordingly.

2. At the time of hearing Ld. Counsel for the assessee stated that Ld. CIT(A) has decided the issues against the assessee by passing a non-speaking order. He further stated that Ld. CIT(A) has only reproduced the Written Submissions of the assessee and decided the issues by passing the non-speaking order. In support of his contention, he draw

my attention towards para no. 4 of the impugned order. Hence, he requested that the issues in dispute may be set aside to the file of the Ld. CIT(A) with the directions to decide the same afresh by passing a speaking order, after giving adequate opportunity of being heard to the assessee.

3. Ld. DR relied upon the orders of the authorities below.

4. I have heard both the parties and perused the records, especially the impugned order passed by the Ld. CIT(A). After careful consideration of the impugned order, I am of the view that Ld. CIT(A) has only reproduced the written submissions filed by the assessee and decided the issues against the assessee in para no. 4 by passing a non-speaking order, which is not sustainable in the eyes of law. Hence, in the interest of justice, I set aside the issues in dispute to the file of the Ld. CIT(A) with the directions to decide the same afresh by passing a speaking order and give adequate opportunity of being heard to the assessee.

5. In the result, the Appeal of the Assessee is allowed for statistical purposes.

The order pronounced on 06.01.2020.

Sd/-
[H.S. SIDHU]
JUDICIAL MEMBER

Dated:06-01-2020

SRB

Copy forwarded to:

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

Asst. Registrar,
ITAT, New Delhi