

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

**BEFORE SHRI SHAMIM YAHYA, ACCOUNTANT MEMBER
AND
SHRI ANUBHAV SHARMA, JUDICIAL MEMBER**

**ITA No.1692/Del/2021
(Assessment Year: 2017-18)**

Sushil Kumar Daima,
RZ-156, P.S. Daima and Sons,
Sayed Nangloi,
New Delhi – 110 087.

vs.

DCIT, CPC,
Bangalore.

(PAN : AAGPD8177M)

(APPELLANT)

(RESPONDENT)

ASSESSEE BY : Shri K. Sampath, Advocate
Shri V. Rajkumar, Advocate
REVENUE BY : Shri Amit Katoch, Sr. DR

Date of Hearing : 11.01.2024
Date of Order : 16.01.2024

ORDER

PER SHAMIM YAHYA, ACCOUNTANT MEMBER :

This appeal by the assessee is directed against the order of the Id. CIT (Appeals)/National Faceless Appeal Centre (NFAC) dated 20.09.2021 for the assessment year 2017-18.

2. Grounds of appeal taken by the assessee read as under :-

“1. On the facts and in the circumstances of the case and in law, the NFAC erred in sustaining disallowance u/s 57 of the Act amounting to Rs.42,38,017/-.

2. On the facts and in the circumstances of the case and in law, the NFAC erred in sustaining charge of interest u/s 234B & 234C.”

3. In this case, assessee’s claim for deduction of interest paid on the loan was not allowed. The concluding portion of the order of Id. CIT (A) is as under :-

“ In view of the above, appellant’s claim for deduction of interest paid to ICICI Bank on the loans taken for the non-residential property purposes against interest received from another entity IHCPL on a different transaction altogether is not tenable on facts and in law since it was not expended wholly and exclusively for the earning of such interest income taxable under the head Other Sources of Income. Within the scope of processing of returns u/s. 143 (1), DCIT, CPC had duly extended an opportunity of filing its response and after having considered the merits thereof, the claim of deduction of interest paid u/s. 57(iii) has been rightly rejected on facts and in law. Therefore, Ground No.1 raised by the appellant does not succeed.

4. Against this order, assessee filed appeal before us. The assessee has also sought admission of additional evidence under Rule 29 of the Appellate Tribunal Rules, 1963. The said additional evidence is an Agreement of the assessee with the Indirapuram Habitat Centre (IHC). Ld. Counsel of the assessee prayed that this is an important document and the admission of this evidence will facilitate the dispute resolution. Ld. DR for the Revenue did not have any objection to this proposition. Accordingly, in the interest of justice, we admit the additional evidences.

5. The matter is now remitted to the file of AO. AO shall decide the issue afresh after considering the additional evidence being submitted and after giving an opportunity of being heard to the assessee.

6. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open court on this 16th day of January, 2024.

**Sd/-
(ANUBHAV SHARMA)
JUDICIAL MEMBER**

**sd/-
(SHAMIM YAHYA)
ACCOUNTANT MEMBER**

**Dated the 16th day of January, 2024
TS**

Copy forwarded to:

- 1.Appellant
- 2.Respondent
- 3.CIT
- 4.CIT (A)
- 5.CIT(ITAT), New Delhi.

**AR, ITAT
NEW DELHI.**