

IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE "SMC" BENCH : PUNE

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER

I.T.A.No.970/PUN./2023 [E-APPEAL]  
Assessment Year 2016-2017

Shri Azam Ali Khan, Flat No.8, Girel – BS No.68, Utopia Society, Wanori, Pune – 411 040 Maharashtra. PAN AIDPK2273N	vs.	The Income Tax Officer, Ward-11(1), Income Tax Office, PMT Bldg., Shankarseth Road, Pune – 411 037. Maharashtra.
(Appellant)		(Respondent)

For Assessee :	Shri C.V. Deshpande
For Revenue :	Smt. Neha Deshpande

Date of Hearing :	12.03.2024
Date of Pronouncement :	13.03.2024

**ORDER**

This assessee's appeal for assessment year 2016-17, arises against the National Faceless Appeal Centre [in short the "NFAC"] Delhi's Din and Order No. ITBA/NFAC/S/250/2023-24/1054459557(1), dated 19.07.2023, involving proceedings u/s.143(3) r.w.s.147 of the Income Tax Act, 1961 (in short "the Act").

Heard Both the parties. Case file perused.

2. The assessee pleads the following substantive grounds in the instant appeal :

1. *"On the facts and in the circumstances of the case and in law the lower authorities have gravely erred in making disallowance of Rs.31,90,734/- for the interest paid by the assessee. The same may be allowed.*

2. *On the facts and in the circumstances of the case and in law the lower authorities have gravely erred in making Ad-hoc disallowance of Rs.11,50,000/- by disallowing the 50% expenses incurred by the appellant disregarding the claim of the appellant, the same may be allowed.*
3. *The appellant would like to leave, add, alter, amend, modify, delete, above grounds of appeal before or during the course of hearing in the interest of natural justice.”*

3. It emerges during the course of hearing that the assessee's sole substantive ground raised in the instant appeal challenges correctness of both the learned lower authorities action disallowing sec.57(iii) interest expenditure claim of Rs.31,90,734/- as well as adhoc expenditure of Rs.11,50,000/- respectively, in the course of assessment dated 25.12.2019. Learned counsel invited my attention to the assessee's detailed paper book running into 17 pages. Smt. Neha on the other hand highlighted the fact that the assessee's documentary evidence(s) from pages 11 to 17 had only been submitted before the NFAC and not during the course of assessment proceedings. Faced with this situation, I deem it appropriate in the larger interest of justice to restore the assessee's instant appeal back to the NFAC for it's afresh adjudication, preferably within three effective opportunities of hearing, subject to the rider that it shall be the taxpayer's onus and responsibility only to file and prove all the relevant facts in consequential proceedings. Ordered accordingly.

4. This assessee's appeal is allowed for statistical purposes in above terms.

Order pronounced in the open Court on 13.03.2024.

Sd/-  
[SATBEER SINGH GODARA]  
JUDICIAL MEMBER

Pune, Dated 13<sup>th</sup> March, 2024

VBP/-

Copy to

1.	The appellant
2.	The respondent
3.	The Pr. CIT, Pune concerned
4.	D.R. ITAT, "SMC" Bench, Pune.
5.	Guard File.

//By Order//

//True Copy //

Sr. Private Secretary, ITAT, Pune Benches,  
Pune.