

आयकर अपीलीय अधिकरण, हैदराबाद पीठ
IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad ‘ ‘ Bench, Hyderabad

Before Shri Laliet Kumar, Judicial Member
And
Shri Manjunatha, G. Accountant Member

आ.अपी.सं / **ITA No.610/Hyd/2024**
(निर्धारण वर्ष / Assessment Year: 2017-18)

Ajit Mohandas Hyderabad PAN:AEHPM6928E (Appellant)	Vs.	Asstt. C. I. T. Circle 2(2) Hyderabad (Respondent)
निर्धारिती द्वारा / Assessee by: Shri KR Sriharsha, CA		
राजस्व द्वारा / Revenue by: Shri Srinath Sadanala, DR		
सुनवाई की तारीख / Date of hearing: 29/08/2024		
घोषणा की तारीख / Pronouncement: 30/08/2024		

आदेश/ORDER

Per Laliet Kumar, J.M

This appeal filed by the assessee is directed against the order dated 17/04/2024 of the learned CIT (A)-NFAC Delhi, relating to A.Y.2017-18.

2. The brief facts of the case are that the assessee is an individual had filed his return of income for the A.Y 2017-18 declaring total income of Rs.38,14,910/- u/s 139 of the I.T. Act, 1961. The assessee had also disclosed exempt income at

Rs.30,000/- in the return of income filed. The return was selected for limited scrutiny under CASS and accordingly statutory notices u/s 143(2) & 142(1) of the I.T. Act, 1961 were issued and served on the assessee to which the assessee submitted copies of total income with schedules along with copies of bank statements and bank interest certificates, loan sanction letters etc. The issue under verification in limited scrutiny was that of large deduction claimed u/s 57 in income from other sources. The Assessing Officer noticed that the total interest claimed by the assessee for the impugned A.Y is Rs.83,38,693/-. The Assessing Officer thus completed the assessment by disallowing the entire interest expenses claimed from “income from other sources” and assessed the total income at Rs.1,21,53,605/-.

3. Being aggrieved by the assessment order, the assessee preferred an appeal before the learned CIT (A) but could not succeed, on the ground that the assessee failed to prove the nexus between the interest earned and interest paid and upheld the addition made by the Assessing Officer.

4. Aggrieved by the order of the learned CIT (A), the assessee is in appeal before the Tribunal.

5. The learned Counsel for the assessee submitted that the learned CIT (A) erred in upholding the additions made by the Assessing Officer u/s 57(iii) of the I.T. Act, 1961 and the assessee

claimed the deduction in accordance with the provisions of section 57(iii) of the I.T. Act, 1961. Therefore, submitted that another opportunity may be provided to the assessee to explain its case before the learned CIT (A).

6. The learned DR, on the other hand, supporting the orders of the authorities below submitted that the Assessing Officer and the learned CIT (A) have rightly disallowed the claim of the assessee u/s 57(iii) of the I.T. Act, 1961 and their orders should be upheld.

7. We have heard both the parties, perused the material available on record and gone through the orders of the authorities below. It is the prayer of the assessee for providing another opportunity of being heard to the assessee before the learned CIT (A) to substantiate its case with documentary evidence and details. Considering the totality of the facts and circumstances of the case, we deem it proper to restore the issue to the file of the learned CIT (A) to adjudicate the issue afresh. Needless to say, the assessee shall appear before the learned CIT (A) on the appointed date and time and submit all the requisite details with documentary evidence without seeking adjournment under any pretext. The learned CIT (A) shall decide the issue in accordance with law and on merit. We hold and direct accordingly.

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

Order pronounced in the Open Court on 30th August, 2024.

Sd/-

Sd/-

(MANJUNATHA, G.) ACCOUNTANT MEMBER	(LALIET KUMAR) JUDICIAL MEMBER
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Hyderabad, dated 30th August, 2024

Vinodan/sps

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3	Pr. CIT - Hyderabad
4	DR, ITAT Hyderabad Benches
5	Guard File

By Order