



आयकर अपीलीय अधिकरण "एस एम सी" न्यायपीठ पुणेमें।
IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCHES "SMC" :: PUNE

BEFORE DR. DIPAK P. RIPOTE, ACCOUNTANT MEMBER
AND
SHRI VINAY BHAMORE, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.1809 & 1810/PUN/2025

निर्धारण वर्ष / Assessment Year: 2020-21

Dr.(Col) Virender Malik, Main Gate of 336, Fd Hospital, Near Army Public School, Sagar. Madhya Pradesh-470001	V s	The Income Tax Officer, Ward-11(4), Pune.
PAN: AMGPM9815K		
Appellant/ Assessee		Respondent / Revenue

Assessee by	Shri Nikhil Pathak – AR
Revenue by	Shri Ambarnath Khule – JCIT(DR)
Date of hearing	02/09/2025
Date of pronouncement	19/09/2025

आदेश/ ORDER

PER DR. DIPAK P. RIPOTE, AM:

These two appeals filed by the assessee against the order of
Id.Commissioner of Income Tax Appeal(NFAC) passed under
section 250 of the Income Tax Act, 1961 for A.Y.2020-21 dated
04.06.2025 emanating from the Assessment Order under section
143(3) of the Income Tax Act, 1961.



1.1 At the time of hearing, Assessee filed additional grounds of appeal which are as under :

“1] The assessee submits that the ld.A.O. has erred in not granting deduction u/s.80C of Rs.1,50,000/-.

2] The ld.A.O. erred in not granting deduction u/s.80TTA of Rs.3,190/-.

3] The ld.A.O. erred in not granting exemption u/s.10(14) of Rs.63,566/-.

4] The ld.A.O. erred in not granting deduction of interest u/s.24 of Rs.60,353/-“

Submission of ld.AR :

2. Ld.Authorised Representative(ld.AR) for the Assessee filed a paper book.

2.1 LdAR submitted that the Assessee is a Doctor in Army presently posted in Field Hospital Sagar, Madhya Pradesh. Ld.AR submitted that Assessee doctor has studied in Armed Forces Medical College-Pune and then joined Army. For the last 21 years, he is serving in Indian Army. He is Radiologist who has done DM(Neuro Radiology). Ld.AR submitted that the nature of Assessee's profession is such that he does not get time to understand taxation and was dependent on a tax consultant. Ld.AR invited our attention to the Affidavit of the Assessee which is duly notarized wherein, he has submitted that one Mr. Anirban Chakarbarti suggested him to



purchase a HDFC Policy Sanchay Plus, then he also asked assessee to revise his return. Assessee purchased HDFC Policy by paying Rs.2,50,000/- on 22nd March 2021, which is mentioend in Assessment Order. Mr.Amit Banerjee filed revised return claiming certain deductions and Assessee was made to believe that those deductions were as per law. Since assessee have no knowledge of Income Tax, he believed those persons. Ld.AR filed copies of communications between those persons and Assessee to prove the point.

3. Then, Ld.AR submitted that Assessee had filed Original Return of Income on 07/08/2020 declaring Total Income at Rs.31,48,130/-. Ld.AR filed copy of the Original Return. Ld.AR submitted that Assessee is eligible for deduction u/s.80C of Rs.1,50,000/- but the AO has not allowed it. Ld.AR invited our attention to Form number 16 issued by Ministry of Defense wherein said Rs.1,50,000/- is shown clearly. (Page 22 of paper book). Ld.AR submitted that Assessee is eligible for deduction of Interest u/s.24 of Rs.60,353/- and hence only Rs.60,353/- deduction should be allowed u/s.24 of the Act. Ld.AR submitted copy of Interest paid certificate issued by The Army Group Insurance Fund. Page 17 of



the paper book. Ld.AR submitted that Assessee is eligible for deduction u/s.10(14) of Rs.63,566/-, and the said amount appears in the Form 16 issued by Ministry of Defense. Ld.AR submitted that Assessee is eligible for deduction of Rs.3,190/- u/s.80TTA. Ld.AR submitted that this deduction should be allowed to the assessee. Ld.AR again submitted that due to mistake of the Tax consultant the revised return was filed.

Submission of ld.DR :

4. Ld.Departmental Representative(ld.DR) for the Revenue has not objected to assessee's claim.

Findings & Analysis :

5. We have heard both the parties and perused the records. In this case the Assessee is a Doctor having qualification MD(radiology), DM (Neuro Radiology). It is an admitted fact that Assessee is serving Indian Army for many years as Doctor. As per the Form Number 16 issued under Rule 31 of Income Tax Rules, Ministry of Defense, Government of India is the Employer of the Assessee.



5.1 It is an admitted fact mentioned in the Assessment Order that Assessee filed Original Return of Income on 07/08/2020 declaring Total Income at Rs.31,48,130/- for A.Y.2020-21. However, subsequently, Assessee revised his income on 23.03.2021. During the scrutiny proceedings, Assessee could not file details, hence, Assessing Officer made following additions.

		(In Rs.)
Total income as per revised return of income		25,06,280
Add: Exemption claimed u/s 10(14)(ii)	93,566	
Interest on borrowed capital	2,00,000	
Deduction claimed under Ch.VIA	6,69,176	9,62,742
Total taxable Income (after allowing Std. deduction u/s 16 of Rs.50,000/-)		34,69,022

6. Ld.AR submitted that the deductions which are appearing in Form No.16 have not been allowed by the AO.

7. We have verified the Form No.16 which was admittedly filed along with the original return of income, it is noted that total amount of Rs.8,25,728/- was eligible for deduction u/s.80C, 80CCC and 80CCD(1). However, as per Section 80C, the amount needs to be restricted to only Rs.1,50,000/-. Accordingly, in Form No.16 only Rs.1,50,000/- was shown as eligible for deduction u/s.80C of the Act. In these facts, we direct ld.Assessing Officer to allow the



Assessee deduction u/s.80C of Rs.1,50,000/- which is appearing in Form No.16. It is also observed from Form No.16 that Assessee was eligible for following exemptions :

<i>Amount of any other exemption under section 10</i>		
<i>Children Education Allowance</i>	<i>2000</i>	
<i>Hostel Subsidy</i>	<i>1,200</i>	
<i>Ration Allowance</i>	<i>40,366</i>	
<i>Dress Allowance</i>	<i>20,000</i>	
<i>Total amount of any other exemption under section</i>		<i>63,566</i>

8. Ld.DR for the Revenue has not disputed these facts. Accordingly, we direct ld.AO to allow exemption of Rs.63,566/- u/s.10 of the Act as appearing in Form No.16.

9. The Assessing Officer has disallowed assessee's entire claim of deduction of interest on borrowed capital and made an addition of Rs.2 lakhs to total income. However, ld.AR has admitted that Assessee is eligible for interest u/s.24 of Rs.60,353/-. Ld.AR invited our attention to page no.17 which is an Interest Certificate issued by Army Group Insurance Fund, wherein it has been specifically stated interest of Rs.60,353.23 has been paid by Assessee. The said Certificate is scanned and reproduced here as under :



17


THE ARMY GROUP INSURANCE FUND
 [REGISTERED AS A SOCIETY UNDER THE REGISTRATION OF SOCIETIES ACT 1860 (ACT XXI)]
 AGI BHAWAN, RAO TULA RAM MARG, POST BAG NO - 14
 PO - VASANT VIHAR NEW DELHI - 110057
 TELEPHONE : 26148944 EXTN - 507,508 FAX - 26148471

(AGIF PAN NO : AABTA2011N)

INTEREST PAID CERTIFICATE

Certificate of Loan Recovery for the period 01-APR-2019 to 31-MAR-2020 as on 06-Aug-2020.

TO WHOM SO EVER IT MAY CONCERN

1. This is to certify that **VIRENDER MALIK** Folio No **4240/OHB** has been granted a **HOUSE BUILDING ADVANCE Rs.1415000/-** in respect of the following property :-

SHREE SIDHIVINAYAK ELASSIQUE,S NO-21/4/1

The above loan is paid in Equated Monthly Installments comprising of Principal and Interest. The total amount of EMI's paid from **01-APR-2019 TO 31-MAR-2020** is Rs.**131652.00/-**. The break-up of this into Principal and Interest is as under :-

(a) Principal Component	Rs.71298.77/-
(b) Interest Component	Rs.60353.23/-

THE AMORTISATION OF THE LOAN IS ON THE BASIS OF MONTHLY REST AND THE PRINCIPAL AMOUNT OUTSTANDING IS REDUCED BY THE PRICIPAL REPAID THROUGH EMI'S ON MONTHLY BASIS.

NOTE :- This certificate is issued in order to enable you to claim the deduction from Taxable Income under INCOME TAX ACT 1961 as amended from time to time and present policy on the subject. The Principal outstanding as indicated in this certificate has been computed by amortising the loan on as accrual basis.

THIS IS COMPUTER GENERATED FILE SO SIGNATURE IS NOT REQUIRED

10. In this case, Assessee has paid interest of Rs.60,353/- towards housing loan. Accordingly, the said amount is eligible for deduction under section 24 of the Act. Hence, we direct the Id.AO to allow the deduction of Rs.60,353/-. It is also observed that Assessee is eligible for deduction u/s.80TTA of Rs.3,190/-, accordingly, we direct Id.AO to allow the same.



10.1 Accordingly, we direct the Id.Assessing Officer to recompute the income of the Assessee.

11. In the result, appeal of the Assessee is partly allowed.

ITA No.1810/PUN/2025

12. This is an appeal against the order u/s.250 of the Act, dated 04.06.2025 emanating from penalty order u/s.270A of the Act, dated 02.03.2023. Ld.Assessing Officer has levied penalty under section 270A(8) r.w.s 270A(9) of the Act, of Rs.5,77,644/-. Ld.AR has relied on the decision of ITAT Pune Bench in the case of Rajendra Shyamkanth Shivrame Vs. ITO in ITA Nos.935 & 936/PUN/2024 for A.Y.2017-18 & 2018-19 vide order dated 18.02.2025. Hon'ble Judicial Member is signatory to the said order in the case of Rajendra Shyamkanth Shivrame.

13. The facts of the Assessee's case are identical to the facts in the case of Rajendra Shyamkanth Shivrame(supra). Therefore, following the binding precedence, we direct the Assessing Officer to delete the penalty levied under section 270A of the Act. Accordingly, grounds of appeal raised by the assessee are allowed.



14. In the result, penalty appeal in ITA No.1810/PUN/2025 raised by the assessee is allowed.

Order pronounced in the open Court on 19 September, 2025.

Sd/-
VINAY BHAMORE
JUDICIAL MEMBER

Sd/-
Dr.DIPAK P. RIPOTE
ACCOUNTANT MEMBER

पुणे / Pune; दिनांक / Dated : 19 Sep, 2025/ SGR

आदेशकीप्रतिलिपिअग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The CIT(A), concerned.
4. The Pr. CIT, concerned.
5. विभागीयप्रतिनिधि, आयकर अपीलीय अधिकरण, "एस एम सी" बेंच, पुणे / DR, ITAT, "SMC" Bench, Pune.
6. गार्डफ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// TRUE COPY //

Senior Private Secretary
आयकर अपीलीय अधिकरण, पुणे/ITAT, Pune.