

**INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "G": NEW DELHI**

**BEFORE SHRI AMIT SHUKLA, JUDICIAL MEMBER
AND
SHRI PRASHANT MAHARISHI, ACCOUNTANT MEMBER**

ITA No.:- 70/Del /2010
Assessment Year: 2001-02

M/s. Sirohi Detective & Security Agency Pvt. Ltd. E-174, (LGF) Amar Colony, Lajpat Nagar IV New Delhi. PAN AAACS4006P	Vs.	ITO Ward 8(4) New Delhi.
(Appellant)		(Respondent)

Assessee by:	Shri K. Sampath Advocate Shri V. Rajakumar, Advocate
Department by :	Shri Kaushlendra Tiwari, Sr. DR
Date of Hearing	25/10/2017
Date of pronouncement	25/10/2017

ORDER

PER AMIT SHUKLA, J.M.

The aforesaid appeal has been filed by the assessee against impugned order dated 8.10.2009, passed by Ld. CIT(A) XI New Delhi for the quantum of assessment passed u/s 147/143(3) for the assessment year 2001-02. In the grounds of appeal assessee has raised following grounds:

1. *“That on the facts and in the circumstances of the case, the authorities below erred in :*

(i) Initiating proceedings u/s 147/148 of the Income Tax Act and thereby completing the assessment at an income of Rs. 25,08,840/-. The action is most arbitrary, erroneous and unlawful and must be quashed with directions for vacating the addition:

(ii) Disallowing a sum of Rs. 3,76,280/- on account of vehicle repair and maintenance expenses, rejecting the evidence and cogent reasons submitted by the appellant. The order is erroneous, unsustainable and must be quashed with directions for vacating the addition.”

2. The effective ground which has been argued before us relates to disallowance of Rs.3,76,280/- on account of vehicle repair. The assessee is providing security services and has claimed a sum of Rs. 3,76,280/- under the head “Vehicle repair and maintenance expenses”. The assessee was required to furnish the requisite details including bills and vouchers; however the same could not be furnished by the assessee before the AO and accordingly, the A.O. disallowed the whole of the amount.

3. Before Ld. CIT (A), the assessee submitted that the copy of ledger account of vehicle and maintenance were submitted before the AO but bills and vouchers could not be submitted. On the nature of expenses it was submitted that the supervisors of the assessee company were using their own vehicles to visit various stations as and when required to distribute the salaries after verifying the attendance of the security

guards deployed at various sites. Assessee Company was reimbursing their vehicle / repairing and maintenance cost which has been debited to the profit and loss account. Entire bills and vouchers were submitted before the Ld. CIT (A) alongwith the petition for admission of additional evidence under rule 46A. However Ld. CIT (A) rejected the additional evidence and confirmed the addition made by the A.O.

4. Before us the Ld. Counsel, Shri K. Sampat submitted that now the entire bills and vouchers have been placed before this Tribunal along with application under rule 29 for admission of additional evidence as the Ld. CIT(A) has failed to appreciate and admit the additional evidence. He drew our attention to the additional evidences, and pointed out those details of each and every expense has been submitted which has not been examined. Therefore, in the interest of justice this matter should be restored back to the file of A.O. to examine the same.

4. Ld. DR too does not have any objection if the matter is sent back to the file of the A.O. for fresh adjudication.

5. After carefully considering the rival submissions and on perusal of the relevant material placed on record, we find that before the Ld. CIT (A) the assessee has not only filed the entire evidences relating to vehicle repair and maintenance but also explained the nature of

expenses for the purpose of its business. Since these additional evidences have not been admitted by the first appellate authority, therefore, same has been filed before us under Rule 29. Accordingly, as prayed before us, we are remanding the whole matter to the file of AO who shall examine the additional evidences and after giving due opportunity to the assessee, will decide the issue in accordance with law. Thus, the appeal of the assessee is remanded back to the file of A.O. and appeal of the assessee is allowed for statistical purposes.

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

Order pronounced in the open court on 25/10/2017.

Sd/-

sd/-

(PRASHANT MAHARISHI)
ACCOUNTANT MEMBER

(AMIT SHUKLA)
JUDICIAL MEMBER

Dated: 31 /10/2017

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Copy forwarded to

1. Applicant
2. Respondent
3. CIT
4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR
ITAT, New Delhi