

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

BEFORE SHRI R.S. SYAL, VICE PRESIDENT
AND SHRI VIKAS AWASTHY, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.726/PUN/18
निर्धारण वर्ष / Assessment Years : 2009-10

M/s. Vishay Components
India Private Limited,
Loni-Kalbhori,
Near Pune (C. Rly.),
Pune – 412 201

Vs.

ACIT, Circle-13,
Pune

PAN : AAACB9652L

(Appellant)

(Respondent)

Appellant by
Respondent by

Shri Pramod Jadhav
Shri M.K. Verma

Date of hearing
Date of pronouncement

09-01-2019
09-01-2019

आदेश / ORDER

PER R.S.SYAL, VP :

This appeal by the assessee arises out of the order passed by the CIT(A)-5, Pune on 22-12-2017 in relation to the Assessment Year 2009-10.

2. The only issue raised in this appeal is against confirmation of disallowance of deduction claimed by the

assessee in relation to obsolete stock written off under Domestic Tariff Area (DTA) unit.

3. Briefly stated, the facts of the case are that the assessee claimed write off of obsolete stock of Rs.20,11,599/- (raw material) and Rs.10,70,217 (finished goods). On being called upon to substantiate the claim of deduction, the assessee submitted that provision for obsolete stock was made which was actually added back and deduction was claimed only in respect of actual obsolete stock written off. The AO required the assessee to produce the following documents to justify its claim :

- a. Certificate from Excise authority that such stock is not usable and hence written off.
- b. Certificate from Chartered Accountant that he had inspected the stock and found that the same was not usable.
- c. Whether product of such raw material has been discontinued and there is no demand of such product in the market.
- d. Whether sale/stock of such written off material have been accounted in the excise register and scrap for the same are entered in the excise register.

4. Since the assessee could not furnish such details in entirety, the AO made disallowance of Rs.30,81,816/-. The ld. CIT(A) sustained the same.

5. Having heard both the sides and perused the relevant material on record, it is observed that similar issue came up for

consideration before the Tribunal in the appeals of the assessee for earlier years. Vide order dated 10-02-1017 for the assessment year 2007-08, the Tribunal in ITA No.1712/PUN/2011 has remitted identical matter to the AO for fresh adjudication. Similar view has been taken by the Tribunal for the assessment year 2006-07, a copy of which has been placed on page 188 onwards of the paper book. In view of the foregoing precedent, we are satisfied that the ends of justice would meet adequately if the impugned order on this issue is set-aside and the matter is restored to the file of AO. We order accordingly and direct him to decide this issue in the light of the directions given by the Tribunal in the earlier assessment years as aforestated.

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

Order pronounced in the Open Court on 09th January, 2019.

Sd/-
(VIKAS AWASTHY)
JUDICIAL MEMBER

Sd/-
(R.S.SYAL)
VICE PRESIDENT

पुणे Pune; दिनांक Dated : 09th January, 2019
सतीश

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order is forwarded to:

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The Respondent;
3. आयकर आयुक्त(अपील) /
The CIT (Appeals)-5, Pune
4. The Pr.CIT-4, Pune
विभागीय प्रतिनिधि, आयकर अपीलीय
5. अधिकरण, पुणे "SMC" / DR 'SMC', ITAT,
Pune;
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

// True Copy //

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

		Date	
1.	Draft dictated on	09-01-2019	Sr.PS
2.	Draft placed before author	09-01-2019	Sr.PS
3.	Draft proposed & placed before the second member		JM
4.	Draft discussed/approved by Second Member.		JM
5.	Approved Draft comes to the Sr.PS/PS		Sr.PS
6.	Kept for pronouncement on		Sr.PS
7.	Date of uploading order		Sr.PS
8.	File sent to the Bench Clerk		Sr.PS
9.	Date on which file goes to the Head Clerk		
10.	Date on which file goes to the A.R.		
11.	Date of dispatch of Order.		

*