

**IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA 'SMC' BENCH, KOLKATA
[Before Shri J. Sudhakar Reddy, Accountant Member]**

**I.T.A. No. 1085/Kol/2019
Assessment Year: 2011-12**

Traxpo Enterprises Private Limited.....Appellant
[PAN: AAAC 9277 H]

Vs.

Tax Recovery Officer-4, Kolkata.....Respondent

Appearances by:

Sh. Deepak Jain, A/R, appeared on behalf of the Assessee.

Sh. Dhrubajyoti Ray, JCIT, Sr. DR, appeared on behalf of the Revenue.

Date of concluding the hearing : November 07th, 2019

Date of pronouncing the order : November 27th, 2019

ORDER

Per J. Sudhakar Reddy, AM :-

This is an appeal filed by the assessee directed against the order of the Commissioner of Income Tax (Appeals)-4, Kolkata ['CIT(A)' for short] dated 28.02.2019 u/s 250 of the Income Tax Act, 1961 ('the Act' for short) for AY 2011-12.

2. After hearing rival contentions, I hold as follows.

3. The disallowance of ₹30,000/- made by the AO cannot be sustained for the reason that, this was the payment of late fee for filing of documents with Register of Companies and hence not penal in nature. It is a payment of late fee. The payment in question is not penal in nature and hence allowable as a deduction. Thus I allow ground no. 2.

4. Ground no. 3 is on the disallowance of ₹4,49,515/- on the ground that the same is prior period expenditure. The assessee submits that the expenditure in question crystallized during the year and hence allowable during the year. The Id. DR points out that the assessee is not been able to furnish any evidences in support of his claim that there were certain disputes in the earlier years and that the same were resolved during this year and consequently the expenditure crystallized during the year. As the assessee

could not produce evidences in support of the claim, I will find no infirmity in the order of the Id. CIT(A). Thus ground no. 3 of the assessee is dismissed.

5. Ground nos. 1 and 4 are general in nature.
6. In the result, the appeal of the assessee is allowed in part.

Kolkata, the 27th November, 2019.

Sd/-
[J. Sudhakar Reddy]
Accountant Member

Dated: 27.11.2019
Bidhan

Copy of the order forwarded to:

1. ***Traxpo Enterprises Private Limited, 1, Alipore Park Place, Kolkata-700 027.***
2. ***Tax Recovery Officer-4, Kolkata.***
3. CIT(A)-4, Kolkata. (sent through e-mail)
4. CIT-
5. CIT(DR), Kolkata Benches, Kolkata. (sent through e-mail)

True copy
By order

Assistant Registrar
ITAT, Kolkata Benches