

आयकर अपीलीय अधिकरण "ए" न्यायपीठ पुणे में ।
IN THE INCOME TAX APPELLATE TRIBUNAL "A" BENCH, PUNE

(Through Virtual Court)

BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER
AND
SHRI S.S. VISWANETHRA RAVI, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.188/PUN/2018

निर्धारण वर्ष / Assessment Year : 2013-14

The Solapur District Central Co-op. Bank Ltd.,
207 to 209, Gold Finch Peth,
Solapur – 413007

PAN : AAATT9561B

.....अपीलार्थी / Appellant

बनाम / V/s.

Asstt. Commissioner of Income Tax,
Circle – 2, Solapur

.....प्रत्यर्थी / Respondent

आयकर अपील सं. / ITA No.189/PUN/2018

निर्धारण वर्ष / Assessment Year : 2014-15

The Solapur District Central Co-op. Bank Ltd.,
207 to 209, Gold Finch Peth,
Solapur – 413007

PAN : AAATT9561B

.....अपीलार्थी / Appellant

बनाम / V/s.

Asstt. Commissioner of Income Tax,
Ward – 2(1), Solapur

.....प्रत्यर्थी / Respondent

Assessee by : Shri S.N. Puranik
Revenue by : Shri S.P. Walimbe

सुनवाई की तारीख / Date of Hearing : 25-01-2022

घोषणा की तारीख / Date of Pronouncement : 27-01-2022

आदेश / ORDER**PER S.S. VISWANETHRA RAVI, JM :**

These two appeals by the assessee against the separate order dated 24-11-2017 and 22-11-2017 passed by the Commissioner of Income Tax (Appeals)-7, Pune [‘CIT(A)’] for assessment years 2013-14 and 2014-15, respectively.

2. Since, the issues raised in both the appeals are similar basing on the same identical facts. Therefore, with the consent of both the parties, we proceed to hear both the appeals together and to pass a consolidated order for the sake of convenience.

3. First, we shall take up appeal in ITA No. 188/PUN/2018 for A.Y. 2013-14.

4. Ground No. 1 raised by the assessee challenging the action of CIT(A) in confirming the addition made by the AO on account of miscellaneous expenses in the facts and circumstances of the case.

5. Heard both the parties and perused the material available on record. We note that the assessee is a Co-operative Society formed under Maharashtra State Co-operative Society’s Act, 1961. The assessee debited miscellaneous expenses of Rs.2,45,78,241/-. The AO requested the assessee to produce bills and vouchers for the said expenses in order to satisfy nexus of the expenses with the business of the assessee. According to the AO the assessee produced only some portion of the expenses which are supported by self made vouchers. According to the AO the expenses involves some personal element as considering such defects, the AO disallowed Rs.24,57,824/- (Rs.2,45,78,241/- at 10%). The CIT(A)

confirmed the same in the absence of any necessary evidences vide Para No. 5.5 of the impugned order. Before us, the ld. AR submits that the assessee has 220 branches and it is very difficult to produce all the details relating to miscellaneous expenses. The said miscellaneous expenses involve transport charges, tea and snacks etc. The ld. DR vehemently opposed the same and the assessee itself admitted to have disallowed Rs.50,000/- which indicates that the assessee has no necessary evidences. The ld. DR supported the order of CIT(A).

6. We note that the assessee is a bank and no personal expenses arise. Further, there is no dispute that the bank has 220 branches in rural area of Solapur district, Maharashtra and even getting vouchers or bills for every small petty expenses is very difficult as rightly pointed by the ld. AR. Taking into consideration the facts and circumstances of the case, we deem it proper to confirm the addition to an extent of Rs.50,000/- as admitted by the assessee before the CIT(A). We note that there is no such disallowance in subsequent scrutiny assessment for A.Y. 2018-19. Therefore, the order of CIT(A) is set aside and ground No. 1 raised by the assessee is allowed.

7. In respect of ground No. 2, there is no argument advanced by the ld. AR. Accordingly, the same is treated as not pressed. Thus, ground No. 2 is dismissed as not pressed.

8. In ground No. 3 the assessee has assailed charging of interest u/s. 234B of the Act. The charging of interest u/s. 234B is mandatory and consequential. Accordingly, ground No. 3 is dismissed.

9. In the result, the appeal of assessee in ITA No. 188/PUN/2018 is partly allowed.

ITA No. 189/PUN/2018, A.Y. 2014-15

10. Both sides are unanimous in stating that the issues raised in the appeal and the facts in ITA No.189/PUN/2018 are identical to ITA No. 188/PUN/2018. Since, the facts in ITA No. 189/PUN/2018 are similar to ITA No. 188/PUN/2018, the findings given by us while deciding the appeal of assessee in ITA No. 188/PUN/2018 would *mutatis mutandis* apply to ITA No. 189/PUN/2018, as well. The appeal of assessee is partly allowed, accordingly.

11. To sum up, both the appeals of assessee are partly allowed.

Order pronounced in the open court on 27th January, 2022.

Sd/-
(Inturi Rama Rao)
ACCOUNTANT MEMBER

Sd/-
(S.S. Viswanethra Ravi)
JUDICIAL MEMBER

पुणे / Pune; दिनांक / Dated : 27th January, 2022.

रवि

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

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The CIT(A)-7, Pune
4. The Pr. CIT-6, Pune
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "ए" बेंच,
पुणे / DR, ITAT, "A" Bench, Pune.
6. गार्ड फ़ाइल / Guard File.
//सत्यापित प्रति// True Copy//

आदेशानुसार / BY ORDER,

वरिष्ठ निजी सचिव / Sr. Private Secretary
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune