

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

BEFORE SHRI R.S. SYAL, VICE PRESIDENT

आयकर अपील सं. / ITA No.612/PUN/2019

निर्धारण वर्ष / Assessment Year : 2014-15

M/s. Prasanna Transport Network Pvt. Ltd., Rahi Sakh Apartment, Sinhadgad Road, Pune – 411052 PAN: AACCP1801F	Vs.	ACIT, Circle – 4, Pune
Appellant		Respondent

Assessee by : Shri Nikhil Pathak
Revenue by : Shri M.G. Jasnani

Date of hearing : 16-03-2022
Date of pronouncement : 16-03-2022

आदेश / ORDER

PER R.S.SYAL, VP :

This appeal by the assessee is directed against the order dated 08-02-2019 passed by the CIT(A)-3, Pune in relation to the assessment year 2014-15.

2. It is a recalled matter inasmuch as the earlier *ex-parte* order passed by the Tribunal on 03.01.2020 was subsequently recalled on 08.02.2022.

3. The assessee is aggrieved by the enhancement made by the Id. CIT(A) in respect of disallowances made by the Assessing Officer (AO) under the heads 'Legal and professional fees' and 'Travelling and Conveyance'.

4. Briefly stated, the facts of the case are that the assessee is in the business of transportation of cargo. During the course of assessment proceedings, the AO observed that the assessee claimed deduction of Rs.30,94,165 as Other Truck expenses. He disallowed 25% of the same on the ground that the evidence adduced by the assessee did not pertain to the year under consideration. The assessee had debited Rs.23,91,557 under the head 'Legal and professional expenses'. In the absence of the assessee producing supporting evidence, the AO made disallowance at 20% amounting to Rs.4,78,311. The assessee claimed Travelling and Conveyance expenses for sums of Rs.2,52,938 and Rs.9,62,576 respectively. As some of the expenses were not fully variable, the AO disallowed 5% of same at Rs.60,776. Aggrieved thereby, the assessee preferred an appeal before the Id. CIT(A), who concurred with the assessee's submissions as regards disallowance made by the AO under the

head Other truck expenses and deleted the same. For the Legal and professional fees which was disallowed by the AO at 20%, the Id. CIT(A) carried out expenditure-wise examination and found certain infirmities in respect of items that have been listed on pages 11 to 13 of the impugned order. Total of such discrepancies amounted to Rs.14,32,033. He, therefore, made enhancement to this level at Rs.14,32,033. As regards the third expenditure of Travelling and Conveyance, the Id. CIT(A) again examined expenditure-wise details. He found certain infirmities in such expenses, that have been enlisted on pages 14 to 18 of the impugned order and accordingly made enhancement to Rs.11,85,410. Aggrieved thereby, the assessee has preferred the appeal before the Tribunal.

5. I have heard both the sides and gone through the relevant material on record. It is seen that the Id. CIT(A) did carry out item-wise expenditure verification under these heads and found certain drawbacks, which have been tabled in the impugned order. The Id. AR filed an additional paper book contending that the assessee was unable to produce the said evidence before the Id. CIT(A) during the course of first appellate proceedings, which goes to show the

genuineness of the expenditure claimed. A prayer was, therefore, made for sending the matter back to the file of Id. CIT(A) for examining the evidence in respect of specific items discussed by him in the impugned order. Considering the totality of the facts and circumstances of the instant case, I am of the considered opinion that the ends of justice would meet adequately if the impugned order is set-aside and the matter is restored to the file of Id. CIT(A). I order accordingly and direct him to decide these issues afresh in the light of the additional evidence which the assessee has filed or proposes to file in support of specific items of expenses espoused by him in the impugned order. Needless to say, a reasonable opportunity of hearing will be afforded to the assessee.

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

Order pronounced in the Open Court on 16th March, 2022.

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

पुणे Pune; दिनांक Dated : 16th March, 2022
GCVSR

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

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The Respondent;
3. The CIT(A)-3, Pune,
4. The Pr.CIT-2, Pune
5. DR, ITAT, 'SMC' Bench, 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	16-03-2022	Sr.PS
2.	Draft placed before author	16-03-2022	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.		

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