

IN THE INCOME TAX APPELLATE TRIBUNAL, SURAT BENCH, SURAT
BEFORE SHRI PAWAN SINGH, JM & DR. A. L. SAINI, AM

आयकर अपील सं./ITA No.345/SRT/2023

Assessment Year: (2018-19)

(Physical Hearing)

Vaishnavi Manufacturing & Marketing, Indraprastha Shopping Centre, Near Asopalav Guest House, Ankleshwar GIDC, Bharuch, Gujarat.	Vs.	The DCIT, Circle – 2(1)(1), Vadodara
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: AABFV5170F		
(Appellant)		(Respondent)

Appellant by	Shri Mehul Shah, CA
Respondent by	Shri Vinod Kumar, Sr. DR
Date of Hearing	24/08/2023
Date of Pronouncement	24/08/2023

आदेश / O R D E R

PER DR. A. L. SAINI, AM:

Captioned appeal filed by the assessee, pertaining to Assessment Year (AY) 2018-19, is directed against the order passed by the Learned Commissioner of Income Tax (Appeals), [in short “the ld. CIT(A)”], National Faceless Appeal Centre (in short ‘the NFAC’), Delhi, dated 27.03.2023, which in turn arises out of an assessment order passed by Assessing Officer u/s 143(3) r.w.s. 143(3A) and 143(3B) of the Income Tax Act, 1961 (hereinafter referred to as “the Act”), dated 06.04.2021.

2. The grounds of appeal raised by the assessee are as follows:

“1. On the facts and circumstances of the case as well as law on the subject, the learned CIT(A) has erred in confirming the action of assessing officer in disallowing the expenditure of Rs.1,80,500/- on account of bonus to employees.

2. It is therefore prayed that disallowance made by the assessing officer and confirmed by CIT(A) may please be deleted.

3. Appellant craves to add, alter or delete any ground(s) either before or in the course of hearing of the appeal.”

3. At the outset itself, Learned Counsel for the assessee argued that assessee has paid bonus of Rs.1,80,500/- to his various employees. The said bonus amount was wrongly reported in tax audit report, therefore Assessing Officer made the addition in the hands of the assessee. The Ld. Counsel for the assessee submitted that this bonus /commission to employees have been paid by the assessee in every year since a long and just because there was a slight wrong reporting in the tax audit report, does not mean that the assessee is not entitled to claim the expenditure on bonus payment to employees. The Ld. Counsel submitted that said bonus expenses has been paid in the AY.2018-19 which is duly reflected in the books of accounts, therefore the said amount should be allowed as a Revenue expenditure. Alternatively, the Ld. Counsel argued that matter may be remitted back to the file of the Assessing Officer for examination of Form No.3CB/3CD (revised) and details of employees etc.

4. On the other hand, Learned Departmental Representative (ld. DR) for the Revenue submitted that assessee has not submitted during the assessment stage, the revised Form No.3CB/3CD by the Chartered Accountant to rectify the clerical mistake occurred in details and tax audit report in clause no.20a. Besides, the assessee has also not submitted the complete details of the employees such as name, address, PAN and salary paid and criteria for bonus payment etc. Therefore, the matter may be remitted back to the file of the Assessing Officer to examine the revised Form No.3CD/3CB and the payment details by way of bonus register etc.

5. We have heard both the parties and perused the material available on record. We find merit in the submission of the Ld. DR for the Revenue that assessee has not filed revised Form No.3CB/3CD certified by Chartered Accountant to rectify the clerical mistake occurred in tax audit report at column no.20a, through e-filing. Further, the assessee has not submitted the complete details of employees, such as name, address, PAN and salary etc. Therefore, we remit this issue back for limited purpose to examine revised Form No.3CB/3CD certified by Chartered Accountant, rectifying the mistake at column no.20a of tax audit report and to examine the name, address, PAN and salary paid and the bonus register maintained by the assessee, and pass the order in accordance with law. We also direct the assessee to submit revised Form No.3CB/3CD certified by Chartered Accountant, rectifying the clerical mistake occurred in column no.20a and name, address, PAN, salary paid and bonus register before the Assessing Officer. For statistical purposes, the appeal filed by the assessee is allowed.

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

Order is pronounced on 24/08/2023 in the open court.

Sd/-
(PAWAN SINGH)
JUDICIAL MEMBER

सुरत /Surat

दिनांक/ Date: 24/08/2023

SAMANTA

Copy of the Order forwarded to

1. The Assessee
2. The Respondent
3. The CIT(A)
4. CIT
5. DR/AR, ITAT, Surat
6. Guard File

// TRUE COPY //

Sd/-
(Dr. A.L. SAINI)
ACCOUNTANT MEMBER

By Order

Assistant Registrar/Sr. PS/PS
ITAT, Surat