

IN THE INCOME TAX APPELLATE TRIBUNAL  
Mumbai "J(SMC)" Bench, Mumbai.

Before Shri Narender Kumar Choudhry (JM)  
& Shri Omkareshwar Chidara (AM)

I.T.A. No. 3259/Mum/2024 (A.Y. 2021-22)

Kraft Heinz India Pvt. Ltd. Shop No. 8, Shilpa Trading Royal Accord, Tarun Bharat Road, Chakala Sahar P&T Colony, S.O. Andheri East Mumbai-400 099.  PAN : AAHCK3988P (Appellant)	Vs.	ITO Mumbai       (Respondent)
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Assessee by	Shri Prasad Paranjape
Department by	Shri Abhirama Karthikeyan
Date of Hearing	12.08.2024
Date of Pronouncement	23.08.2024

ORDER

Per Omkareshwar Chidara (AM) :-

In the above captioned appeal, following additions were made by the learned Assessing Officer (Ld. AO for short) as there was no compliance by the appellant to several notices issued :

- a) Add : Variation in respect of disallowance of Professional/Consultancy Fees/Fee for Technical Services Rs. 1,33,69,551/-.
- b) Add : Variation in respect of disallowance of expenses claimed on account of "Workman & Staff Welfare expenses Rs. 44,54,300/-.
- c) Add : Variation in respect of disallowance of expenses claimed on account of sales promotion including publicity Rs. 2,65,67,000/-.
- d) Add : Variation in respect of disallowance of expenses claimed on account of Compensation of Employees Rs. 2,36,56,000/-.

- e) Add : Variation in respect of disallowance of depreciation claimed on account of purchase of new assets Rs. 15,39,690/-.

2. Aggrieved by the additions made by the Ld. AO, appellant filed an appeal before the Learned Commissioner of Income Tax (the Ld. CIT(A) for short). The appellant has mentioned before the Ld. CIT(A) that appropriate responses were not provided since the concerned team handling finance and tax matters of the company had undergone change of personnel and hence the data to substantiate claim of expenses as required by the Ld. AO during the assessment year was not readily available and hence could not be submitted. But all the expenditure claimed by the company was genuine and incurred for the purpose of business only. During the appeal proceedings before the Ld. CIT(A) also, the appellant did not furnish required information and requested for adjournment twice. Since no compliance was there for the notices issued by the Ld. CIT(A) also, all the additions made by the Ld. AO were confirmed.

3. As all the additions made by the Ld. AO were confirmed by the Ld. CIT(A), appellant filed an appeal before the ITAT, Mumbai reiterating the same grounds and also that the appellant company incurred huge losses due to various reasons. The appellant made certain bald statements stating that the entire claim by the appellant company is genuine and no part of expenditure can be disallowed. Because of the Covid period, the staff relating to accounting team could not submit all the details required. It was pleaded that no proper opportunity was given to the appellant to substantiate all the expenditure and it was also submitted that the accounting team was focusing on closing audit of subsequent accounting period. Hence, the AR of the appellant has argued that there are sufficient and proper reasons for not submitting the required details before the Ld. AO and the Ld. CIT(A).

4. During the appeal proceedings before the ITAT, Ld. AR of the appellant has requested the Bench to give one more opportunity to submit all the

required details by the Department. Considering the difficulties expressed by the appellant, it is decided to give one more opportunity to the appellant to substantiate genuineness of the entire expenditure which was disallowed by the Ld. AO under various heads. The appellant is directed to furnish entire information required by the Ld. CIT(A). The matter is remitted back to the file of the Ld. CIT(A).

5. Appeal of the appellant is allowed for statistical purposes.

Order pronounced in the open court on 23<sup>rd</sup> August, 2024.

Sd/-  
(Narender Kumar Choudhry)  
Judicial Member

Sd/-  
(Omkareshwar Chidara)  
Accountant Member

Mumbai : 23.08.2024

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent
3. The CIT(A)
4. CIT
5. DR, ITAT, Mumbai.
6. Guard File.

//True Copy//

BY ORDER,

(Assistant Registrar)  
ITAT, Mumbai

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