

IN THE INCOME-TAX APPELLATE TRIBUNAL "F" BENCH,
MUMBAI

BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER
&
SHRI PRABHASH SHANKAR, ACCOUNTANT MEMBER

ITA No. 141/MUM/2025
(A.Y. 2019-20)

Sameer Ashok Sahasrabudhe, 77/4 Sahasrabudhe Hospital Vidya Coop. Society, Near Taluka Police Station, Panvel Raigad - 410 206, Maharashtra	v/s. बनाम	Assistant Commissioner of Income Tax, Central Circle 1, Thane, 6 th Floor, Ashar IT Park, Wagle Estate, Thane West - 400 604, Maharashtra
स्थायी लेखा सं./जीआइआर सं./PAN/GIR No: AKXPS6659Q		
Appellant/अपीलार्थी	..	Respondent/प्रतिवादी

Appellant by :	Shri Sunil Nohra,AR
Respondent by :	Ms. Kavitha Kaushik (Sr. DR)

Date of Hearing	27.03.2025
Date of Pronouncement	03.04.2025

आदेश / ORDER

PER PRABHASH SHANKAR [A.M.] :-

The present appeal arising from the appellate order dated 06.11.2024 is filed by the assessee against the order passed by the Learned Commissioner of Income-tax, Appeal/CIT (A), Pune-11, [hereinafter referred to as "CIT(A)"] pertaining to assessment order passed u/s. 143(3) of the Income-tax Act, 1961 [hereinafter referred to as "Act"] dated 25.09.2021 for the Assessment Year [A.Y.] 2019-20.



2. The grounds of appeal are as under:-

1. *On the facts and in the circumstances of the case and in law, the Learned Commissioner of Income Tax (Appeals)-Pune-11 [“Ld. CIT(A)”], erred in upholding the ad hoc disallowance made by the Learned Assessing Officer [“Ld. AO”] amounting to Rs. 8,12,128, being 10% of total other expenses, without providing cogent reasons or pointing to any specific defect in the expenditure claimed.*
2. *On the facts and in the circumstances of the case and in law, the Ld. CIT(A) erred in confirming the ad hoc disallowance of Rs. 8,12,128 made by the Ld. AO, despite the fact that the appellant's books of account, duly audited under the provisions of the Income-tax Act, 1961, were neither rejected nor found to contain any material discrepancies.*

3. The brief facts of the case are that the assessee is running a hospital in the name and style of Sahasrabudhe Hospital. In this case, a survey u/s. 133A of the Act was conducted on 22.07.2019. Subsequent to the survey, the assessee filed his original return of income on 31.10.2019 by declaring total Income of Rs.1,43,01,240/-. The case was selected for scrutiny and during the assessment proceedings the AO asked the assessee to file party-wise details of ‘Other Expenses’ along with supporting documents. Since, these details were not filed by the assessee, the AO made an ad-hoc disallowance @10% of ‘Other Expenses’ amounting to Rs.81,21,289/-. In this manner, an addition of Rs.8,12,128/- was made while completing the assessment.

4. In the subsequent appeal, the ld.CIT(A), the assessee submitted that the details of Other Expenses had been given in the audited financial statements. The accounts were audited and wherever the TDS was



required to be deducted on various payments included under these other expenses, same had been done. It was also submitted that no ad-hoc disallowance could be made without rejecting the audited books of accounts. The Id.CIT(A) on the other hand observed that even during the appellate proceedings, the assessee did not make any effort to file these details, i.e. party-wise details of 'Other Expenses' along with supporting documents. Instead of filing these details, he contended again that his accounts are audited and therefore without rejecting the books of accounts, the AO could not make any ad-hoc disallowance. Accordingly, the disallowance made was upheld dismissing the appeal.

5. Before us also, the Id.AR kept on repeating the same contentions as made before the Id.CIT(A). He did not furnish the relevant details. He requested to remand the matter back to the Id.CIT(A) for adjudication. The Id.DR on other hand relied on the orders of the authorities below. However, he did not object to remanding of the case to the appellate authority. Considering the facts of the case and the request of the assessee, we are sending back the entire matter for fresh adjudication by the Id.CIT(A) with a direction to allow the assessee adequate opportunity of hearing in the matter and decide the appeal in accordance with law. The assessee is also directed to make necessary compliance before him.



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

Order pronounced in the open court on **03/04/2025.**

Sd/-

NARENDER KUMAR CHOUDHRY

(न्यायिक सदस्य/JUDICIAL MEMBER)

Sd/-

PRABHASH SHANKAR

(लेखाकार सदस्य/ACCOUNTANT MEMBER)

Place: मुंबई/Mumbai

दिनांक /Date 03.04.2025

Lubhna Shaikh / Steno

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

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. आयकर आयुक्त / CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण DR, ITAT,
Mumbai
5. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//
आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt. Registrar)
आयकर अपीलीय अधिकरण/ ITAT, Bench,
Mumbai.

