



आयकर अपीलीय अधिकरण, राजकोट न्यायपीठ, राजकोट।
IN THE INCOME TAX APPELLATE TRIBUNAL, "SMC"
RAJKOT BENCH, RAJKOT

BEFORE DR. ARJUN LAL SAINI, ACCOUNTANT MEMBER

आयकर अपील सं. /ITA Nos.855 & 352/RJT/2024
निर्धारण वर्ष/Assessment Year : 2018-19

Aditya Tractors 121-Global Complex, Opp. Shrinath Hundai, National Highway-8B, Gondal Road By Pass Circle, Rajkot (Gujarat) - 360004	बनाम/ Vs	Income Tax Officer Ward – 1(1)(1), Rajkot
स्थायी लेखासं./जीआइआरसं./PAN/GIR No.: AAOFA5079R		
(अपीलार्थी/Assessee)		(प्रत्यर्थी/Respondent)

निर्धारिती की ओर से/Assessee by : Shri Chetan Agarwal, Ld. AR
राजस्वकी ओर से / Revenue by : Shri Dheeraj Kumar Gupta, Ld. Sr. DR

सुनवाई की तारीख/**Date of Hearing** : **11/09/2025**

घोषणा की तारीख/**Date of Pronouncement** : **26/11/2025**

आदेश/ORDER

Per, Dr. Arjun Lal Saini, A.M

Captioned two appeals filed by the same assessee, pertaining to Assessment Year 2018-19, are directed against the separate orders passed under section 250 of the Income Tax Act, 1961 (hereinafter referred to as "the Act") by the Commissioner of Income-tax (Appeals), dated 07.03.2024 & 12.12.2023, which in turn arise out of separate assessment orders passed by Assessing Officer u/s. 143(1) and 143(3) of the Act.



2. At the outset, Learned Counsel for the assessee submitted that assessee does not wish to press the appeal in ITA No.352/Rjt/2024, therefore, I dismiss the assessee's appeal in ITA No.352/Rjt/2024, as not pressed.

3. Now I shall take assessee's appeal in ITA No.855/Rjt/2024. The appeal filed by the assessee in ITA No.855/RJT/2024, for assessment year 2018-19, is barred by limitation, by 93 days. The assessee has moved a petition requesting the Bench to condone of delay. The learned Counsel adverted my attention to the reasons for condonation of delay before this Tribunal and urged for a benign view and sought condonation of delay of 93 days in filing the appeal before the Tribunal. However, learned DR for the revenue opposed the prayer of the assessee for condonation of delay. A perusal of the reasons and sufficient cause explained by the Id. Counsel for the assessee, gives me an impression of existence of mitigating circumstances to enable me to exercise my discretion in favour of the assessee. Accordingly, the delay is condoned in filing the appeal.

4. In assessee's appeal in ITA No.855/Rjt/2024, the assessee has raised following grounds of Appeal:

- “1. *Ld. CIT(A) erred in law as well as on fact in upholding disallowance of Rs.1,71,051/- u/s. 40(a)(ia) of the Act.*
2. *Ld. CIT(A) erred in law as well as on fact in upholding disallowance of Rs.2,10,706/-.*
3. *Ld. CIT(A) erred in law as well as on fact in upholding by passing the order u/s.143(1)(a) r.w.s. 143(3A), 143(3B) of the Act.”*

5. Learned Counsel for the assessee, informs the Bench that the assessee does not wish to press Ground No.1 raised by the assessee, in ITA No.855/Rjt/2024, therefore, I dismiss Ground No.1 raised by the assessee, as not pressed.



6. Now coming to the Ground No.2 raised by the assessee which relates to disallowance of Rs.2,10,706/-.

7. Brief facts qua the issue are that the assessee firm has filed its return of income for AY 2018-19 on 28.09.2018 declaring total income at Rs.3,33,444/-. Subsequently upon verification and comparison of return of income with that of tax audit report it was observed that as per clause 21(b) of the tax audit report there was disallowance of the interest paid of Rs.1,71,051/- to India Bulls Housing Finance Ltd, for mortgage loan and upon verification of trading account submitted along with tax audit report it was also observed that assessee firm had paid transportation expenses of Rs.2,10,706/-. Hence, on above basis intimation order u/s. 143(1) of the Act dated 17.06.2019 was generated by DCIT, CPC, Bengaluru by disallowing total amount of expenses of Rs.3,81,757/- (Rs.1,71,051 + Rs. Rs.2,10,706). As the assessing officer (CPC) disallowed the transportation expenses of Rs.2,10,706/-. On appeal by the assessee, the learned CIT(A) also disallowed the transportation expenses of Rs.2,10,706/-, therefore, assessee is in appeal before this Tribunal.

8. I have heard both the parties and carefully gone through the submission put forth on behalf of the assessee along with the documents furnished and the case laws relied upon, and perused the fact of the case including the findings of the Id CIT(A) and other materials brought on record. In this case, as per the statement of facts, grounds of appeal and submissions by the assessee it is observed that an intimation u/s 143(1) was processed on 17.06.2019 by ADIT, CPC, Bengaluru, wherein disallowance of Rs.2,10,706/- for transportation expenses u/s 43B of the Act was made, which was confirmed by the learned CIT(A) also. I note that in tax audit report of the assessee-firm, there is no any disallowance regarding transportation expenses of Rs.2,10,706/-



u/s.43B of the Act. All transportation charges were paid during the year only through banking channel. The assessee submitted Form No.3CD and ledger account for each and every creditor for the transportation charges. I also note that Auditor has wrongly mentioned the figure in the audit report and later on the assessee has submitted rectified copy. After considering the submissions of learned DR for the Revenue and learned Counsel for the assessee, and after verification tax audit report, I have noted from tax audit report of the assessee -firm that there is no any disallowance regarding transportation expenses of Rs.2,10,706/- u/s 43B of the Act. I have also noted that all the transportation charges were paid by the assessee -firm, during the year, only through banking channel. To ascertain this fact, I have also examined, Form No. 3CD and ledger account of each and every creditor for the transportation charges, and find that expenses claimed by the assessee, is genuine. Based on this factual position, I delete the addition of Rs.2,10,706/-.

9. In the result, ground No. 2 raised by the assessee in ITA No.855/RJT/2024, is allowed.

Order pronounced in the open court on 26/11/2025.

Sd/-

(Dr. Arjun Lal Saini)

लेखा सदस्य/Accountant Member

राजकोट /Rajkot

//True Copy//

दिनांक/ Date: 26/11/2025

Copy of the Order forwarded to

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

By Order

Assistant Registrar/Sr. PS/PS
ITAT, Rajkot