

आयकर अपीलीय अधिकरण, इन्दौर न्यायपीठ, इन्दौर
IN THE INCOME TAX APPELLATE TRIBUNAL,
INDORE BENCH, INDORE

BEFORE SHRI C.M. GARG, JUDICIAL MEMBER
AND SHRI O.P. MEENA, ACCOUNTANT MEMBER

आ.अ.सं./I.T.A. No. 168/Ind/2017

निर्धारण वर्ष /Assessment Year: 2013-14

M/s Shriji Polymers(India) Ltd.

Ujjain

PAN – AAICS-6990E

:: अपीलार्थी /Appellant

Vs

ACIT 2(1)

Ujjain

:: प्रत्यर्थी /Respondent

निर्धारिती की ओर से/Assessee by	Shri S.S. Deshpande
राजस्व की ओर से/Revenue by	Shri Mohd. Javed
सुनवाई की तारीख Date of hearing	3.5.2017
उद्घोषणा की तारीख Date of pronouncement	05.5.2017

आदेश /O R D E R

PER SHRI C.M. GARG, JM

This appeal has been filed by the assessee against the order of the learned CIT(A), Ujjain, dated 24.1.2017 in First Appeal No. U-310/2016-17 for the assessment year 2013-14.

2. The only issue raised in this appeal by the assessee is that the Commissioner of Income Tax (Appeals) was not justified in confirming the addition of Rs.7,50,738/- by making 10% ad hoc disallowance of certain expenses.

3. During the course of assessment proceedings the Assessing Officer found from the bills and vouchers relating to 'car running expenses', 'refreshment expenses', 'vehicle running expenses' and 'travelling expenses' that these were not fully verifiable. He also noted that some of the bills were self-made without any authentication. He further observed that in such expenses personal user of the same cannot be ruled. The Assessing Officer, therefore, disallowed 10% of the same i.e. Rs. 7,50,738/- out of the same and added back to the total income of the assessee. On appeal, the Commissioner of Income Tax (Appeals) found that in earlier assessment year the Assessing Officer had made the disallowance out of travelling expenses @ 10%. Since the disallowance during the year under consideration was the same as in the earlier year, the Commissioner of Income Tax (Appeals) confirmed the same. Now the assessee is in appeal before the Tribunal.

4. Before us, the learned counsel for the assessee submitted that the assessee has maintained regular books of accounts and the books are duly audited as per the Companies Act and the report in Form No. 3CD has been furnished. The learned counsel for the assessee further submitted that that the assessee has recorded all expenses properly in the books of accounts. He, therefore, prayed that as such the claim of the assessee may kindly be allowed.

5. On the other hand, the learned DR relied upon the orders of the authorities below.

6. We have considered the submissions of both the sides. From a perusal of record we find that in the earlier assessment year also the Assessing Officer made disallowance out of travelling expenses at the rate of 10%. This is not the case of the assessee before us that this disallowance @ 10% in earlier was either deleted or reduced by any appellate authority. We, therefore, find no flaw in the orders of the authorities below and accordingly confirm the disallowance % 10% as made and sustained by the Assessing Officer and the Commissioner of Income Tax (Appeals).

7. In the result, the appeal of the assessee is dismissed.

The order has been pronounced in open Court on 5th May,
2017.

Sd/-

लेखा सदस्य
(O.P.Meena)
Accountant Member

sd/-

न्यायिक सदस्य
(C.M. Garg)
Judicial Member

May 5, 2017.

Dn/