

IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE BENCH, 'A' PUNE – VIRTUAL COURT

BEFORE SHRI R.S. SYAL, VICE PRESIDENT AND  
SHRI PARTHA SARATHI CHAUDHURY, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.2313/PUN/2017

निर्धारण वर्ष / Assessment Years : 2009-10

Talera Automobiles Private Limited, 14, Motilal Talera Road, Pune 411 001 PAN : AAAC6814C	Vs.	ACIT, Circle-7, Pune
Appellant		Respondent

Assessee by None (Written submissions)  
Revenue by Shri A.M. Krishanan Mahadevan  
Date of hearing 11-05-2021  
Date of pronouncement 11-05-2021

आदेश / ORDER

PER R.S. SYAL, VP :

This appeal by the assessee arises out of the order dated 21-07-2017 passed by the CIT(A)-5, Pune in relation to the assessment year 2009-10.

2. The only issue raised in this appeal is against the confirmation of disallowance of foreign travel expenses amounting to Rs.9,29,041/-.

3. Briefly stated, the facts of the case are that the assessee is a private limited company engaged in the business of dealership of cars. During the course of assessment proceedings, the Assessing Officer (AO) observed that the assessee incurred Foreign Travel

expenses to the tune of Rs.9,29,041/-. On being called upon to justify the deduction, the assessee submitted details which indicated that Smt. Vasumati P. Talera travelled to Switzerland on 24.6.2008 and to the USA on 15.3.2009 along with Smt. Snagda P. Talera. The AO made the disallowance by observing that no evidence was filed showing the business exigency. The Id. CIT(A) confirmed the disallowance.

4. We have heard the Id. DR through virtual court and gone through the relevant material on record. The assessee has filed written submissions urging the Bench to decide the case on such basis. It is noticed that the assessee is having a showroom of Ford cars in India. In order to enable itself to survive in a highly competitive business, the director undertook foreign travels to USA and Switzerland for ascertaining as to how the distributors in other countries were maintaining their showrooms. It is important to note that the director who travelled to Switzerland and USA is a widow and took over the reins of the company in the year 2003 after the demise of her husband. The assessee has placed on record a copy of Board Resolution authorising such foreign travels. Not only that, the assessee has also filed copies of certain letters written by its director to the dealers which she visited in Switzerland and USA. The AO

has not brought anything on record to show that either the letters or their contents were not *bona fide*. Having considered the entire factual scenario obtaining in the extant case, we are of the considered opinion that the foreign travel expenses incurred by the assessee are genuine and meant for business purpose only. The impugned order is overturned and the addition is deleted.

5. In the result, the appeal is allowed.

Order pronounced in the Open Court on 11<sup>th</sup> May, 2021.

Sd/-  
**(PARTHA SARATHI CHAUDHURY)**  
**JUDICIAL MEMBER**

Sd/-  
**(R.S.SYAL)**  
**VICE PRESIDENT**

पुणे Pune; दिनांक Dated : 11<sup>th</sup> May, 2021  
सतीश

**आदेश की प्रतिलिपि □ ग्रेषित/Copy of the Order is forwarded to:**

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The Respondent;
3. The CIT(A)-5, Pune
4. The PCIT-4, Pune
5. DR, ITAT, 'A' Bench, Pune
6. गार्ड फाईल / Guard file.

**आदेशानुसार/ BY ORDER,**

**// True Copy //**

Senior Private Secretary  
आयकर अपीलीय अधिकरण ,पुणे / ITAT, Pune

		Date	
1.	Draft dictated on	11-05-2021	Sr.PS
2.	Draft placed before author	11-05-2021	Sr.PS
3.	Draft proposed & placed before the second member		JM
4.	Draft discussed/approved by Second Member.		JM
5.	Approved Draft comes to the Sr.PS/PS		Sr.PS
6.	Kept for pronouncement on		Sr.PS
7.	Date of uploading order		Sr.PS
8.	File sent to the Bench Clerk		Sr.PS
9.	Date on which file goes to the Head Clerk		
10.	Date on which file goes to the A.R.		
11.	Date of dispatch of Order.		

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