

Madras High Court on Commission Expense Allowability & CIT-A Powers to see Case Records etc

"3. The Tribunal was pleased to confirm the order of CIT appeal, inasmuch as even in the earlier year, such a claim of additional commission came to be allowed which was also affirmed by the Tribunal. When we examined the reasoning of the Assessing Authority vis-a-vis the finding of the CIT appeal, we find that whatever reasons which has been given by the Assessing Authority for not allowing the additional commission came to be fully explained and satisfied before the CIT appeals with material particulars in the form of facts, figures and documents. The finding of the CIT appeals disclose that the full particulars relating to the products, quantity, names of customers to whom the sale was effected, the amount of commission mentioned in each invoice and mode of payment in the form of cheque towards such commission were all fully placed before the CIT appeals covering the entire sum of Rs.9,13,247/-.

4. As far as the details furnished in those material documents are concerned, there was no dispute raised either before the CIT appeals or before the Tribunal. In such circumstances, when the CIT appeals is equally empowered as that of the Assessing Authority to be satisfied as regards the documentary evidence, in support of any claim made by the assessee and such exercise has been done by the CIT appeals, who rendered the finding based on the relevant documents placed before him, the ultimate conclusion of the said authority and the confirmation of the same by the Tribunal cannot be found fault with."