

## In case assessee failed to substantiate claim of commission expenses disallowance made to be held valid

**Summary – The High Court of Punjab & Haryana in a recent case of Smt. Malti Gupta, (the Assessee) held that in case assessee failed to substantiate claim of commission expenses, disallowance made to be held valid**

### Facts

- The assessee was an agent for colleges in Australia and other countries for sending the students abroad and used to charge commission from the students.
- During the relevant year, the assessee showed expenses towards commission paid to the persons who referred the students to the assessee.
- During scrutiny, the assessee could not supply complete details of students sent abroad and the assessing Officer being not convinced disallowed 50 per cent of commission paid by the assessee and made an addition.
- The Commissioner (Appeals) agreed with the AO.
- Further appeal filed before the Tribunal was dismissed.
- On the assessee's appeal to the High Court:

### Held

- The HC stated that from the facts it is seen that the commission had been paid to the husband and daughter of the assessee and to the members of the families of certain persons who were neither connected with education nor were engaged in sending students abroad.
- The assessee also could not provide the relevant details like father's name, postal address *etc*
- All the three authorities below have recorded consistent findings of fact for disallowance of 50 per cent of the commission claimed as expenses. The appellant has failed to show any infirmity in the findings of fact recorded much less to prove perversity. The order passed by the Tribunal warrants no interference.