

आयकर अपीलिय अधिकरण, 'ए' न्यायपीठ, चेन्नई
IN THE INCOME-TAX APPELLATE TRIBUNAL 'A' BENCH, CHENNAI
श्री वी. दुर्गा राव, न्यायिक सदस्य एवं श्री जी. मंजुनाथा, लेखा सदस्य के समक्ष ।
Before Shri V. Durga Rao, Judicial Member &
Shri G. Manjunatha, Accountant Member

आयकर अपील सं./I.T.A. No.3095/Chny/2018
निर्धारण वर्ष/Assessment Year: 2015-16

Shri S.P. Subramaniam,
42/2, Mettupalayam Road,
Sathyamangalam, Erode 638 402.
[PAN: AHXPS5018E]

The Assistant Commissioner of
Income Tax,
Circle 2, Erode.

(अपीलार्थी /Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri S. Sridhar, Advocate, Erode.
प्रत्यर्थी की ओर से/Respondent by : Shri G. Johnson, Addl. CIT
सुनवाई की तारीख/ Date of hearing : 19.08.2021
घोषणा की तारीख /Date of Pronouncement : 19.08.2021

आदेश /ORDER

PER V. DURGA RAO, JUDICIAL MEMBER:

This appeal filed by the assessee is directed against the order of the
Id. Commissioner of Income Tax (Appeals) 3, Coimbatore, dated 15.10.2018
relevant to the assessment year 2015-16.

2. Facts are in brief that the assessee is in the business of running petrol
bunk admitted total income of ₹.10,72,410/-. In the assessment order, the
Assessing Officer has noted that there is a difference of ₹.10,71,602/-
between the sales ledger and sales by meter. When the Assessing Officer
has asked the assessee to explain the reasons for mismatch, the assessee

has submitted that the customers who purchase the petrol/diesel were given discount and therefore, the difference arose. The Assessing Officer has not accepted the explanation and accordingly, addition was made. On appeal, the Id. CIT(A) confirmed the order of the Assessing Officer.

3. On being aggrieved, the assessee is in appeal before the Tribunal. The Id. Counsel for the assessee has submitted before us that there are certain customers who purchase diesel/petrol of high quantity has given some discount as marketing strategy and submitted that the addition made by the Assessing Officer is not correct.

4. On the other hand, the Id. DR relied on the orders of authorities below.

5. We have heard both the sides, perused the materials available on record and gone through the orders of authorities below. The case of the Assessing Officer is that there is a difference of ₹.10,71,602/- between the sales ledger and meter reading. According to the Assessing Officer, the amount of ₹.10,71,602/- is a suppressed sales receipt and added to the income of the assessee. The argument of the assessee is that in order to attract the customers, certain discount has to be given as a marketing strategy. By considering the facts and circumstances of the case and also by considering the reasons given by the assessee, we are of the opinion that

the addition should be restricted to ₹.5,00,000/-. This ground of appeal of the assessee is allowed partly.

6. In the result, the appeal of the assessee is partly allowed.

Order pronounced on the 19th August, 2021 at Chennai.

Sd/-
(G. MANJUNATHA)
ACCOUNTANT MEMBER

Sd/-
(V. DURGA RAO)
JUDICIAL MEMBER

Chennai, Dated, the 19.08.2021

Vm/-

आदेश की प्रतिलिपि अग्रेषित/Copy to: 1. अपीलार्थी/Appellant, 2. प्रत्यर्थी/
Respondent, 3. आयकर आयुक्त (अपील)/CIT(A), 4. आयकर आयुक्त/CIT, 5. विभागीय
प्रतिनिधि/DR & 6. गार्ड फाईल/GF.