



**IN THE INCOME TAX APPELLATE TRIBUNAL,
CUTTACK 'SMC' BENCH, CUTTACK**

BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER

ITA No.75/CTK/2023
Assessment Year : 2014-15

Rohit Kumar Agarwal, C/O Sushil Kumar Agarwal, Music Makers, Choudhury Bazar, Cuttack	Vs.	Income Tax Officer, Ward-2(3), Cuttack
PAN/GIR No.		
(Appellant)	..	(Respondent)

Assessee by : Shri Mohit Sheth, AR
Revenue by : Shri Kishore Chandra Mohanty, Sr DR

Date of Hearing : 16/05/2023
Date of Pronouncement : 16/05/2023

ORDER

This is an appeal filed by the assessee against the order of the Id CIT(A),NFAC, Delhi, dated 25.1.2023 in Appeal No.ITBA/NFAC/S/250/2022-23/1049089658(1) for the assessment year 2014-15.

2. Shri Mohit Sheth, Id AR appeared for the assessee and Shri Kishore Chandra Mohanty, Id Sr DR appeared for the revenue.

3. It was submitted by Id AR that the assessee is in the business of wholesale trading in Electronics Equipments and Appliances. It was the

submission that an amount of Rs.1,61,897/- was shown as 'price protection credit note' from M/s. Mobile Commerce Solution Ltd. (MCSL). It was the submission that this credit note had been received by the assessee after closure of the accounts of the assessee. Consequently, the said amount was offered for taxation during the assessment year 2015-16. Ld AR placed before me the copy of the trading and profit and loss account for the year ended on 31st March, 2015, wherein, in the expenditure side purchase had been reduced by discount and credit notes to an extent of Rs.15,45,854/-. It was the submission that the said amount was part of the direct income in respect of which MCSL price protection of Rs.5,44,132/- had been granted and the ledger account of the said amount of Rs.5,44,132/- showed that on 23.10.2014, debit note has been received for the amount of Rs.1,61,897/- and consequently, the said amount has been offered to tax during the assessment year 2015-16. It was the submission that the Assessing Officer has also recognized that the amount has been received in the assessment year 2015-16 and the same has also been reflected at page 2 of the assessment order. It was the submission that as the amount has already been offered to tax during the assessment year 2015-16, the same is not liable to be assessed during the assessment year 2014-15.

4. In reply, Id Sr DR vehemently supported the order of the Assessing Officer as well as Id CIT(A). It was the submission that the credit note

related to the relevant assessment year and the amount should have been added to the income of the assessee in the said relevant assessment year.

5. I have considered the rival submissions. A perusal of the ledger account of MCSL price protection showing debit note of Rs.1,67,897/- is dated 23.10.2014. This ledger account of MCSL price protection in the books of account of the assessee is thus clearly credit note by MCSL price protection which is a debit note in the account of the assessee is of dated 23.10.2014 relatable to assessment year 2015-16. It is noticed that the assessee has rightly offered the said amount to tax during the assessment year 2015-16. This being so, this amount cannot be treated as income of the assessee for the assessment year 2014-15 and consequently, the addition as made by the AO and confirmed by the Id CIT(A) stands deleted.

6. In the result, appeal of the assessee stands allowed.

Order dictated and pronounced in the open court on 16/05/2023.

Cuttack; Dated 16/05/2023
B.K.Parida, SPS (OS)

Sd/-
(George Mathan)
JUDICIAL MEMBER

Copy of the Order forwarded to :

1. The Appellant : Rohit Kumar Agarwal, C/O
Sushil Kumar Agarwal, Music Makers, Choudhury
Bazar, Cuttack
2. The Respondent: Income Tax Officer, Ward-
2(3), Cuttack
3. The CIT(A)-NFAC, Delhi
4. Pr.CIT-, Cuttack
5. DR, ITAT, Cuttack
6. Guard file.
//True Copy//

By order

Sr.Pvt.secretary
ITAT, Cuttack