

आयकर अपीलीय अधिकरण “बी” न्यायपीठ चेन्नई में।
IN THE INCOME TAX APPELLATE TRIBUNAL
“B” BENCH, CHENNAI

माननीय श्री वी. दुर्गा राव, न्यायिक सदस्य एवं
माननीय श्री मनोज कुमार अग्रवाल, लेखा सदस्य के समक्ष।
BEFORE HON'BLE SHRI V. DURGA RAO, JM AND
HON'BLE SHRI MANOJ KUMAR AGGARWAL, AM

आयकर अपील सं./ ITA No.364/Chny/2023
(निर्धारण वर्ष / Assessment Year: 2019-20)

M/s. Image Infotainment Limited, No.61/32, T T K Road, Alwarpet, Chennai.	बनम / Vs.	ACIT Corporate Circle-2(2), Chennai.
स्थायी लेखा सं./जी आइ आर सं./PAN/GIR No. AAACI-6238-B		
(अपीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थीकी ओरसे/ Appellant by	:	Shri R.Subramanian (C.A.)-Ld.AR
प्रत्यर्थीकी ओरसे/ Respondent by	:	Shri D.Hema Bhupal (JCIT)- Ld.DR

सुनवाईकी तारीख/ Date of Hearing	:	03-10-2023
घोषणाकी तारीख / Date of Pronouncement	:	05-10-2023

आदेश / ORDER

Manoj Kumar Aggarwal (Accountant Member)

1. Aforesaid appeal by assessee for Assessment Year (AY) 2019-20 arises out of the order of learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi [CIT(A)] dated 25-01-2023 in the matter of an intimation issued by Centralized Processing Centre u/s. 143(1) of the Act on 04-05-2020. Though the assessee has raised multiple grounds of appeal, however, the only ground urged before us is ground no.6 wherein the assessee is aggrieved by addition of an amount of Rs.8.69 Lacs to its income which

represent profit on sale of car. This addition has been made by CPC u/s 143(1).

2. The material facts are that the assessee sold two cars during the year and credited the profit arising there-from in the Profit & Loss Account. However, since this car was forming part of block of asset eligible for depreciation, the resultant sale consideration was reduced from the block of asset and the depreciation was claimed on the balance amount. On the basis of these facts, the assessee submitted that profit on sale of car could not be considered as its income. However, Ld. CIT(A) rejected the same against which the assessee is in further appeal before us.

3. Upon perusal of computation of income and depreciation chart as placed on record, it could be seen that the two cars forms part of larger block of asset which is eligible for depreciation. The sale consideration of Rs.17.77 Lacs has been reduced from the block and depreciation has been claimed only on the net value which is in consonance with the provisions of the act. In such a case, profit on sale of car could not be treated as assessee's income. By deleting the impugned addition, we allow this ground of appeal.

4. The appeal stand partly allowed.

Order pronounced on 05th October, 2023.

Sd/-

(V. DURGA RAO)

न्यायिक सदस्य/JUDICIAL MEMBER

Sd/-

(MANOJ KUMAR AGGARWAL)

लेखा सदस्य / ACCOUNTANT MEMBER

चेन्नई Chennai; दिनांक Dated : 05-10-2023

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आदेशकीप्रतिलिपिअग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF