

| आयकर अपीलीय अधिकरण न्यायपीठ, मुंबई |
IN THE INCOME TAX APPELLATE TRIBUNAL
"SMC" BENCH, MUMBAI

BEFORE SHRI NARENDRA KUMAR BILLAIYA, HON'BLE ACCOUNTANT MEMBER
&
SHRI RAHUL CHAUDHARY, HON'BLE JUDICIAL MEMBER

I.T.A. No. 924/Mum/2024
Assessment Year: 2021-22

FLP Trading Pvt. Ltd. M/s. Kalyaniwalla & Mistry LLP Esplanade House, 2 nd Floor 29, Hazimal Somani Marg Fort, Mumbai - 400001 [PAN: AADCF3408R]	Vs	The Asstt. Director of Income Tax, Centralized Processing Centre, Bengaluru
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अपीलार्थी/ (Appellant)		प्रत्यर्थी/ (Respondent)
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Assessee by :	Ms. Sonali Godbole, A/R
Revenue by :	Shri Himanshu Sharma, CIT, D/R

सुनवाई की तारीख/**Date of Hearing** : 04/07/2024
घोषणा की तारीख /**Date of Pronouncement**: 09/07/2024

आदेश/ORDER

PER NARENDRA KUMAR BILLAIYA, AM:

This appeal by the assessee is preferred against the order of the Addl/JCIT(A)-1, Chandigarh dt. 19/01/2024, pertaining to Assessment Year 2021-22.

2. The solitary grievance of the assessee is that the ld. CIT(A) erred in confirming the addition of Rs.2,19,075/- relating to liabilities written back.

3. Briefly stated, the facts of the case are that while processing the return of income, the CPC, Bengaluru, drawing support from the observations made by the auditor, made the addition of Rs.2,19,075/- relating to liabilities written back to the extent no longer required.

4. Before the Id. CIT(A), the assessee strongly contended that, though the auditor has reported the issue at Clause 25(iii) of the report but the said amount has already been included in the net profits as disclosed in the profit and loss account. Though the Id. CIT(A) was convinced that the said addition has been made solely on the basis of remark of the auditor but could not find the bifurcation/details of the amount of Rs.10,89,643/- under the head “any other income” and, therefore, confirmed the addition.

5. Before us, the Id. Counsel for the assessee drew our attention to the profit and loss account and pointed out that the other income has been show at Rs. 2,44,73,599/- and the details of which are given in the schedule 21, which shows that this income includes other non-operating income of Rs.10,89,643/- which has been further bifurcated as under:-

FLP Trading Pvt Ltd
Assessment Year 2021-22

The statement giving details of other income - Note 21 of Audited Accounts

<i>Particulars</i>	<i>Amount</i>	<i>Amount</i>
<i>Interest income on bank deposits</i>		2,32,62,395
<i>Interest on income tax refund</i>		1,21,561
<i>Other non operating income</i>		
<i>Scrap Sale</i>	2,50,954	
<i>Net-Sundry Balance Written Off Income</i>	2,19,075	
<i>Short/Excess Provision</i>	1,81,930	
<i>Claimed Amount Written Back</i>	1,70,875	
<i>Invoice Cancellation Charges</i>	1,30,718	
<i>Unclaimed Amount Written Off</i>	1,14,461	
<i>Shrot/Excess Cash Receipt</i>	11,629	
<i>Duplicate Invoice Copy Charges</i>	10,000	10,89,643
<i>Total</i>		2,44,73,599

6. The Id. Counsel for the assessee pointed out that Rs.2,19,075/- has been included in 'other income'.

7. We have given a thoughtful consideration to the factual matrix explained and discussed hereinabove. We find force in the contention of the Id. Counsel for the assessee. Under Note -21 of audited accounts, the assessee has shown other income at Rs. 2,44,73,599/- and the details of other income are exhibited elsewhere which clearly shows that income of Rs.2,19,075/- is already included. Therefore, any other addition would tantamount to double addition and hence we direct the AO to delete the addition.

8. In the result, appeal of the assessee is allowed.

Order pronounced in the Court on 9th July, 2024 at Mumbai.

Sd/-
(RAHUL CHAUDHARY)
JUDICIAL MEMBER

Sd/-
(NARENDRA KUMAR BILLAIYA)
ACCOUNTANT MEMBER

Kolkata, Dated 09/07/2024

SC S.P.

4

आदेश की प्रतिलिपि ँ ग्रेषित/Copy of the Order forwarded to :

1. ँ पीलर्ी / The Appellant
2. प्रत्यर्ी / The Respondent
3. संबंघित आयकर आयुक्त / Concerned Pr. CIT
4. आयकर आयुक्त (ं पील) / The CIT(A)-
5. विभर्ीय प्रतिनिधि ,आयकर अपीलीय अधिकरण, मुंबई /DR,ITAT, Mumbai,
6. गार्ड फाई/ Guard file.

आदेशानुसार/ BY ORDER,
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Assistant Registrar
आयकर अपीलीय अधिकरण
ITAT, Mumbai