

IN THE INCOME TAX APPELLATE TRIBUNAL
“SMC” BENCH, AGRA

**BEFORE HON’BLE SHRI SATBEER SINGH GODARA, JM AND
HON’BLE SHRI MANOJ KUMAR AGGARWAL, AM**

आयकरअपीलसं./ ITA No. 328/Agr/2018
(निर्धारणवर्ष / Assessment Year: 2014-15)

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| Shri Ramesh Chandra Varshney Prop. M/s Akashdeep Electronics Railway Road, Aligarh | बनाम/ Vs. | ACIT -Circle-4(1)(1) Aligarh |
| स्थायीलेखासं./जीआइआरसं./PAN/GIR No. ABAPV-7652-G | | |
| (अपीलार्थी/ Appellant) | : | (प्रत्यर्थी / Respondent) |

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| अपीलार्थीकीओरसे/ Appellant by | : | Shri Pankaj Gargh, Adv.- Ld. AR |
| प्रत्यर्थीकीओरसे/ Respondent by | : | Shri Shailendra Shrivastava – Ld. Sr. DR |

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| सुनवाईकीतारीख/ Date of Hearing | : | 13-02-2025 |
| घोषणाकीतारीख / Date of Pronouncement | : | 28-03-2025 |

आदेश / O R D E R

Manoj Kumar Aggarwal (Accountant Member)

1. Aforesaid appeal by assessee for Assessment Year (AY) 2014-15 arises out of an order of learned Commissioner of Income Tax (Appeals), Aligarh [CIT(A)] dated 01-01-2018 in the matter of an assessment framed by Ld. AO u/s 143(3) vide order dated 30-12-2016. The sole grievance of the assessee is confirmation of addition of Rs.33.72 Lacs. Having heard rival submissions, the appeal is disposed-off as under.

2. From assessment order, it could be seen that the assessee had been engaged in trading of electronic items. The assessee reflected outstanding balance of Rs.51.83 Lacs against M/s Videocon Industries

Ltd. However, as per confirmation, the debtor reflected balance of Rs.0.16 Lacs. The Ld. AO alleged that the assessee reflected excess liability of Rs.51.99 Lacs. After considering assessee's reply, Ld. AO rejected the books and added the amount of credit note for Rs.29.41 Lacs and cash discount of Rs.4.30 Lacs to the income of the assessee on the allegation that the same were not accounted for by the assessee. The Ld. CIT(A) confirmed the same against which the assessee is in further appeal before us.

3. The Ld. AR has stated that credit notes so received by the assessee were fully allowed amongst the dealers and since the resultant figure was zero, the same was not passed through Profit & Loss Account. In support, Ld. AR placed on record copy of ledger account of credit notes / cash discount received and paid to the dealers. Upon perusal of the same, we find substance in this argument since the assessee has apparently passed on this benefit to its customers. The resultant figure is zero and accordingly, the said amount is not routed through Profit & Loss Account. This is the consistence accounting policy being followed by the assessee. Therefore, on the facts of the case, the impugned addition could not be sustained. We order so.

4. The appeal stand allowed.

Order pronounced u/r 34(4) of Income Tax (Appellate Tribunal) Rules, 1963.

Sd/-

(SATBEER SINGH GODARA)

न्यायिक सदस्य / JUDICIAL MEMBER

Sd/-

(MANOJ KUMAR AGGARWAL)

लेखा सदस्य / ACCOUNTANT MEMBER

Dated: 28-03-2025

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

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT
4. विभागीय प्रतिनिधि/DR
5. गार्डफाईल/GF

ASSISTANT REGISTRAR

ITAT AGRA