

आयकर अपीलीय अधिकरण, कटक न्यायपीठ, कटक
IN THE INCOME TAX APPELLATE TRIBUNAL CUTTACK BENCH CUTTACK
(THROUGH VIRTUAL HEARING)

श्री जार्ज माथन, न्यायिक सदस्य एवं श्री राजेश कुमार, लेखा सदस्य के समक्ष ।

**BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER
AND
SHRI RAJESH KUMAR, ACCOUNTANT MEMBER**

आयकर अपील सं/ITA No.300/CTK/2025
(निर्धारण वर्ष / Assessment Year : 2016-2017)

Pradeep Kumar Das, Nuasahi, Balia, Balasore, Odisha-756001	Vs	ITO, Ward-1, Balasore
PAN No. : ADLPD 3159 R		
(अपीलार्थी / Appellant)	..	(प्रत्यर्थी / Respondent)
निर्धारिती की ओर से / Assessee by	:	Shri Nanak Fogla, CA
राजस्व की ओर से / Revenue by	:	Shri Vijay Singh, Sr. DR
सुनवाई की तारीख / Date of Hearing	:	11/08/2025
घोषणा की तारीख / Date of Pronouncement	:	11/08/2025

आदेश / O R D E R

Per Bench :

This is an appeal filed by the assessee against the order dated 26.03.2025 passed by Id. Add/JCIT(A), Aurangabad, for the assessment year 2016-2017.

2. It was submitted by the Id. AR that the assessee is a contractor, who is holding the transportation contract in respect of BPCL. It was submitted by the Id. AR that during the impugned assessment year the assessee had contracted for transportation with 19 lorries. It was the submission that 4 lorries belonged to the assessee and 15 lorries have been taken on hire. It was the submission that the lorries hired by the assessee have been extracted by the Assessing Officer at pages 6 & 7 of the order. It was the

submission that the assessee has disclosed Rs.7,59,763/- as the net profit. It was the submission that the Assessing Officer had determined the total receipts of the assessee from the contract at Rs.2,45,50,534/- and as the assessee had only shown the gross receipt/turnover of Rs.64,08,123/- in his return of income, the differential receipt of Rs.1,81,42,411/-, which represented the turnover in respect of 15 lorries as the suppressed turnover of the assessee and had estimated the income from the said suppression at 11.86% being the percentage of gross profit shown by the assessee in its return and had made the addition. It was the submission that the reconciliation of the turnover as disclosed by the assessee and as arrived at by the Assessing Officer at pages 3 & 4 of the assessment order, reads as follows :-

Sr. No.	Particulars	Computation without Netting off	Computation with Netting off
1.	Gross Transportation Charges received in kind (Fleet card for Fuel Consumption)	93,36,420.92	8,66,481.87
2.	Consideration received in Bank	1,40,10,280.46	47,84,989.13
3.	Deduction of shortage	12,03,816.85	2,06,861.00
4.	Total	2,45,50,518.23	58,58,241.00
5.	Add: Net Income (From attached Tank lorries (15 nos))		5,49,882.20

6.	Gross Income Reported in P&L Account		64,08,123.20
7.	Less: Expenses		
8.	Towards attached Tank lorries		
	a. Deduction of Shortage	9,96,955.32	
	b. Payment through bank (Inc. Fuel)	75,43,120.25	
	c. Payment in kind (Fleet card)	84,69,939.05	
	d. Payment for other expenses	33,400.00	
	e. Payables as on 31.03.2016	10,98,970.41	
		<u>1,81,42,395.03</u>	
9.	Towards own Tank Lorries	56,48,360.37	56,48,360.37
10.	Net Profit as per Profit and Loss account	7,59,762.83	7,59,762.83

3. It was the submission that the differential amount of Rs.1,81,42,395/- was the expenses towards the tanker & lorries. It was the submission that this was shown in the reconciliation at para 8 of the said reconciliation. It was submitted that the ledger copy was produced before the Assessing Officer and copy of the same is enclosed at page 145 of the paper book, which reads as follows :-

TRANSPORTATION CHARGES DUE & PAYMENT ON ATTACHED TANK LORRIES FOR THE TAX PERIOD 2015-16 (Exhibit - 2.2)									
SL NO	R.C. OF ATTACHED TANK LORRIES	NAME OF THE ATTACHED TANK LORRIE OWNERS	GROSS RECEIPTS OF ATTACHED TANK LORRIES	DIFFERENT MODES OF PAYMENT					OUTSTANDING BALANCE
				SHORTAGE AS DETERMINED BY BPCL	THROUGH BANK	THROUGH BPCL FLEET CARD	PAYMENT THROUGH BANK FOR FUEL	FOR OTHER EXP.	
1	OD04F-5025	LIPANSHU SHEKHAR DAS	1,101,114.35	90,719.00	281,385.00	585,393.28	94,039.00	33,400.00	(5,844.22)
2	OR01G-0135	NABA KUMAR PATRA	1,285,589.94	32,150.00	-	1,140,603.00	50,000.00	-	24,269.24
3	OR09J-5222	CBM TPT	1,742,230.77	80,541.49	-	1,103,550.77	428,894.25	-	76,977.34
4	OR01P-3722	AJAY MOHANTY	1,349,164.55	22,835.52	505,233.00	527,567.00	-	-	96,016.32
5	OD01A-5655	AJAY MOHANTY	1,369,550.81	46,278.06	614,615.00	824,609.00	-	-	-
6	OR01U-0736	NIRAMALA MORE	1,202,355.77	37,577.20	622,960.00	434,523.00	20,000.00	-	51,224.90
7	OR01R-2843	NIYATI ROUT	1,732,713.01	110,222.03	321,389.00	868,953.00	663,549.00	-	446,611.77
8	OD01F-9343	GOURISHNKAR BHOI (NIYATI ROUT)	1,639,693.78	143,493.79	184,772.00	511,244.00	21,000.00	-	-
9	OR11E-7062	DEBENDERA BEHERA	1,801,163.28	113,550.13	309,123.00	918,176.00	316,995.00	-	89,284.25
10	OR01V-4586	SASMITA BEHERA	1,754,245.48	91,786.40	900,000.00	514,271.00	-	-	195,560.72
11	OR01N-7619	MINURANI SAHA	940,518.99	57,077.77	689,526.00	100,000.00	-	-	65,699.65
12	OR01P-3669	RAMESH CHANDRA SAHOO	1,177,731.96	87,366.83	1,007,305.00	-	-	-	47,728.17
13	OR01A-2155	SASADHAR SAHU	496,404.84	19,531.00	-	362,386.00	85,664.00	-	16,413.72
14	OR01P-3729	SUNITA SAHOO	1,038,705.22	62,708.10	388,902.00	533,463.00	37,769.00	-	-
15	OR01G-1129	SUNITA SAHOO	61,094.48	1,118.00	-	45,200.00	-	-	(4,961.45)
TOTAL			18,692,277.23	996,955.32	5,825,210.00	8,469,939.05	1,717,910.25	33,400.00	1,098,980.41

PARTICULARS	AMOUNT
A) Gross transportation charges due on attached tank lorries	18,692,277.23
B) Less: Payment through various mode	
Shortage as determined by BPCL	996,955.32
Through bank	5,825,210.00
Through BPCL Fleet Card	8,469,939.05
Payment through bank for fuel	1,717,910.25
For Other Expenses	33,400.00
Payables as on 31.03.2016	1,098,980.41
	<u>18,142,395.03</u>
C) Net Income accounted in P & L Account (A - B)	549,882.20

Authorised Signatory

Pradeep Kumar Das

SRI PRADEEP KUMAR DAS

4 It was the submission that as the assessee has disclosed the entire turnover as has been received by the assessee from the contract with BPCL, no estimated addition is called for in respect of alleged suppressed turnover, insofar as there is no suppression of turnover.

5. In reply, Id. Sr. DR vehemently supported the order of the Id.AO & Id. CIT(A). It was the submission that the details of 15 lorries and their owners were not provided. It was the submission that the notice has been issued to

the owners of the 15 lorries and they have not appeared before the Assessing Officer.

6. In rejoinder, the Id. AR drew our attention to page 8 of the Assessing Officer's order wherein the Assessing Officer has categorically recognized that the evidences have been filed by the 15 lorry owners for attach of their tanker and lorries.

7. We have considered the rival submissions. A perusal of the reconciliation statement filed by the assessee which are placed at pages 3 & 4 of the paper book, which has also been extracted above, clearly shows that the differential amount of Rs.1,81,42,395/- were on account of deduction for shortages and payments made through bank account of the assessee which has been routed through the assessee and also payment through Fleet Card and payments for other expenses. A perusal of page 145 of the paper book which has been extracted above, these details were very much available before the Assessing Officer also. As the assessee has provided the reconciliation of the said differential amount of Rs.1,81,42,411/- before the Assessing Officer and before us as has been extracted above, we find no error which attracts for an estimated addition of the differential amount of Rs.1,81,42,411/- as suppressed turnover on which net profit estimation is called for. Consequently, the addition as made by the Assessing Officer and as confirmed by the Id.CIT(A) stands deleted.

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

Order dictated and pronounced in the open court on 11/08/2025.

Sd/-

(राजेश कुमार)

(RAJESH KUMAR)

लेखा सदस्य/ **ACCOUNTANT MEMBER**

Sd/-

(जार्ज माथन)

(GEORGE MATHAN)

न्यायिक सदस्य / **JUDICIAL MEMBER**

दिनांक Dated 11/08/2025

Prakash Kumar Mishra, Sr.P.S.

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

1. अपीलार्थी / The Appellant-
2. प्रत्यर्थी / The Respondent-
3. आयकर आयुक्त(अपील) / The CIT(A),
4. आयकर आयुक्त / CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, कटक / DR, ITAT, Cuttack
6. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//

आदेशानुसार/ BY ORDER,

(Assistant Registrar)

आयकर अपीलीय अधिकरण, कटक/ITAT, Cuttack