

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DIVISION BENCH 'B', CHANDIGARH**

BEFORE SMT. DIVA SINGH, JUDICIAL MEMBER AND  
SHRI B.R.R. KUMAR, ACCOUNTANT MEMBER

**ITA No.1444/Chd/2017**  
Assessment Year: 2013-14

The DCIT  
Circle-1 (Exemption)  
Chandigarh

Vs. M/s Apeejay Education Society  
Mahavir Marg, New Jawahar  
Nagar, Jalandhar

PAN No. AAATA3534F

(Appellant)

(Respondent)

Assessee By : Sh. Salil Kapoor  
Revenue By : Ms. Lagnpreet Sandhu

Date of hearing : 20/03/2018  
Date of Pronouncement : 27/03/2018

**ORDER**

**PER B.R.R. KUMAR A.M.**

The present appeal has been filed by the Revenue against the order of the Ld. CIT(A)-2, Jalandhar dt. 13/07/2017.

2. In the present appeal Revenue has raised the following grounds:

i. *That on the facts and circumstances of the case, the Ld. CIT(A) has erred in law in allowing the benefit u/s 11 of the Act without appreciating that there was a clear violation of section 13 of the Income Tax Act, 1961.*

ii. *That on the facts and circumstances of the case, the Ld. CIT(A) has erred in law in holding that the assessee fulfils the conditions of section 11 of the Act whereas the AO had clearly established that the assessee had violated the provisions of section 13(1)(c) r.w.s. 13(3) and thus was thus not eligible for exemption.*

iii. *That on the facts and circumstances of the case, the Ld. CIT(A) has erred in law in deleting the addition when the statement of Sh. Sanjay D. Sonawani was not reliable whereas he had clearly confirmed that he had provided accommodation entries to the assessee and had deposed that no software was sold to the assessee and his company had no infrastructure, manpower and expertise to even develop the software.*

iv. *That on the facts and circumstances of the case, the Ld. CIT(A) has erred in law as the findings recorded are perverse and contrary to the evidence/material/statements available on record and duly considered by the AO.*

v. *That on the facts and circumstances of the case, the Ld. CIT(A) has erred deleting the addition even when AO has clearly brought out that the assessee could not produce the software developed by M/s WSL Limited during the survey operation and in fact did not follow the normal procedure and procurement as in the cases of other purchase.*

3. Brief facts of the case are that the assessee is a Trust. The society is registered under section 12A of the I.T. Act, 1961 with the OTF, Jalandhar, vide order No. CIT-JL/ITO(Tech.)99-2000/1466, dated 13/05/99 & also registered under section 80G of the I.T. Act, 1961 with the CIT Jalandhar-II, Jalandhar, vide order No. CIT/JL-II/Trust/115/dated 24/01/2005. During the assessment proceedings, it was held that there is claim of depreciation of Rs. 43,36,145/- on Software purchase from WSL, which is not genuine purchases. And the Assessing Officer disallowed the same under section 11(1) of the Income Tax Act, 1961.

4. Ld. CIT(A) held that the matter of purchase of Software from M/s Washington Software Ltd. has already been considered by the Coordinate Bench of ITAT, Amritsar in case of the assessee itself for the A.Y. 2008-09, 2010-11 and 2011-12 and held that all the conditions of Section 11 of the Act have been satisfied by the assessee.

5. Before us, the Ld. AR filed the copy of the order in ITA No. 712-714/Asr/2014 dt. 12/08/2016 in the case of the assessee. Revenue has also supplied with the copy of the said order.

No new facts are emerged subsequent to the order of the Coordinate Bench of ITAT, Amritsar and since the facts of the case remain same, we hereby uphold the order of the Ld. CIT(A).

6. In the result, appeal of the Revenue is dismissed.

Order pronounced in the open court.

**Sd/-**  
**(DIVA SINGH)**  
**JUDICIAL MEMBER**  
Dated : 27/03/2018  
AG

**Sd/-**  
**(B.R.R.KUMAR)**  
**ACCOUNTANT MEMBER**

Copy to: The Appellant, The Respondent, The CIT, The CIT(A), The DR