

**IN THE INCOME TAX APPELLATE TRIBUNAL
(DELHI BENCHES (CAMP AT MEERUT))**

**BEFORE SHRI N.S. SAINI, ACCOUNTANT MEMBER
and
SHRI KULDIP SINGH, JUDICIAL MEMBER**

**ITA No.2955/Del./2017
(ASSESSMENT YEAR : 2012-13)**

Shri Akshay Kumar Gupta,
C/o Kashyap & Co., CAs
214, Citi Center, Begum Bridge Road,
Meerut.

vs. ITO, Ward 1 (1),
Meerut.

(PAN : AARPG1074H)
(APPELLANT)

(RESPONDENT)

ASSESSEE BY : Shri P.S. Kashyap, Advocate
REVENUE BY : Shri S.S. Rana, CIT DR

Date of Hearing : 08.01.2019

Date of Order : 16.01.2019

ORDER

PER KULDIP SINGH, JUDICIAL MEMBER :

The appellant, Shri Akshay Kumar Gupta (hereinafter referred to as 'the Assessee') by filing the present appeal, sought to set aside the impugned order dated 10.01.2017 passed by Ld. CIT (Appeals), Aligarh qua the Assessment Year 2012-13 on the grounds inter alia that :-

“1. That on the facts and in law not allowing Rs.25,00,000/- as cost of flat is totally wrong, unjustified & illegal on the inter-alia grounds :

i) That the assessee has incurred Rs.25,00,000/- expenses towards interior work of flat. In revised ITR same has been claimed under business head but during assessment assessee has requested that the

interior expenses to be allowed as cost of flat under section 54F of the Act.

ii) That the assessee has paid amount for interior work expenses through account payee cheque and sufficient supporting documents were filed in respect of interior work expenses incurred before the Ld. AO as well as before the CIT (A). But CIT (A) has not allowed Rs.25,00,000/- towards interior work or towards business loss in absence of sufficient supporting documents.”

2. Briefly stated the facts necessary for adjudication of the controversy at hand are : The Assessing officer has made addition of Rs.25,00,000/- claimed by the assessee having been given to Interior Designer for decorating the flat No.K-2061 on the ground that the assessee has failed to furnish confirmation copy of account of the parties, bills and vouchers of the expenses and other supporting evidences in support of his claim.

3. Assessee carried the matter by way of an appeal before the Id. CIT (A) who has confirmed the addition by dismissing the appeal. Feeling aggrieved, the assessee has come up before the Tribunal by way of filing the present appeal.

4. We have heard the Id. Authorized Representatives of the parties to the appeal, gone through the documents relied upon and orders passed by the revenue authorities below in the light of the facts and circumstances of the case.

5. It is the case of the assessee that he has given advance of Rs.25,00,000/- to Interior Designer for carrying out the interior of the

flat on 14.03.2012 through M/s. Auroprobe. It is also not in dispute that the said interior work was not completed. The assessee was of the view that the advance of Rs.25,00,000/- would be allowed as business loss and claimed the same as such in revised return.

6. When undisputedly work assigned to the Interior Designer was not completed nor she has returned the money, who stated to be died on 16.04.2013, nor the assessee has produced vouchers/ bills for the work carried out to prove the part performance on the part of the Interior Designer and it is also admitted case of the assessee that he was not given possession of the flat. When the assessee was not in possession of the flat in question, question does not arise to carry out interior work in the same. In these circumstances, we are of the considered view that AO/CIT (A) have rightly disallowed the claim of the assessee of Rs.25,00,000/- towards interior work or towards business loss. In view of what has been discussed above, finding no illegality or perversity in the impugned order, the present appeal filed by the assessee is hereby dismissed.

Order pronounced in open court on this 16th day of January, 2019.

**Sd/-
(N.S. SAINI)
ACCOUNTANT MEMBER**

**sd/-
(KULDIP SINGH)
JUDICIAL MEMBER**

**Dated the 16th day of January, 2019
TS**

Copy forwarded to:

- 1.Appellant
- 2.Respondent
- 3.CIT
- 4.CIT(A), Aligarh.
- 5.CIT(ITAT), New Delhi.

AR, ITAT
NEW DELHI.