

**IN THE INCOME TAX APPELLATE TRIBUNAL  
(DELHI BENCH 'D' : NEW DELHI)**

**BEFORE SHRI ANIL CHATURVEDI, ACCOUNTANT MEMBER  
and  
SHRI KULDIP SINGH, JUDICIAL MEMBER**

**(THROUGH VIDEO CONFERENCE)**

**ITA No.4256/Del./2017  
(ASSESSMENT YEAR : 2010-11)**

DCIT, Exemption Circle,  
Ghaziabad.

vs. Jai Maa Savitri Educational Society,  
KJ – 28, Kavi Nagar,  
Ghaziabad (Uttar Pradesh)

**(PAN : AABTJ0711E)**

(APPELLANT)

(RESPONDENT)

ASSESSEE BY : Shri Raghav Goel, CA

REVENUE BY : Shri Shailesh Kumar, Senior DR

**Date of Hearing : 18.01.2021**

**Date of Order : 29.01.2021**

**ORDER**

**PER KULDIP SINGH, JUDICIAL MEMBER :**

Appellant, DCIT, Exemption Circle, Ghaziabad (hereinafter referred to as 'the Revenue') by filing the present appeal sought to set aside the impugned order dated 30.03.2017 passed by the Commissioner of Income-tax (Appeals), Muzaffarnagar qua the assessment year 2010-11 on the grounds that :-

**“1. The Ld. Commissioner of Income Tax (Appeal) has erred in law and on facts in addition of Rs.3,94,80,000/- on account of anonyms donation u/s 115BBC.**

**2. The order of the Ld. Commissioner of Income Tax (Appeal) be cancelled and the order of the AO be restored.”**

2. Briefly stated the facts necessary for adjudication of the controversy at hand are : Assessee is a society registered with an object to open, run and manage schools, colleges and institutions for all types of education for all sections of the societies and in the rural areas, to carry out activities for the extension of knowledge in the field of medical science, dental science, computer science, engineering/information technologies, pharmacies, para-medical sciences, oral cancer and its awareness, plantation, agricultural education, prevention and treatment of other diseases etc. for every section of the society and in the rural areas, to open, run and manage medical clinics, medical camps and hospitals for weaker section of the society on charitable basis. To achieve these objectives, the society started to set up an engineering college in Village Rampur, Hapur for engineering, management, architecture, BBA and BCA courses. While perusing the audited balance sheet filed by the assessee, AO noticed that the assessee has introduced huge corpus fund amounting to Rs.10,86,05,000/- during the year under assessment and out of the donations of Rs.2,56,28,000/- amount of Rs.2,53,29,000/- has been treated as anonymous donation under section 115BBC of the Income-tax Act, 1961 (for

short 'the Act') and made addition thereof to the total income of the assessee.

3. Assessee carried the matter before the Id. CIT (A) by way of filing the appeal who has deleted the additions by accepting the appeal. Feeling aggrieved by the order passed by the Id. CIT (A), the Revenue 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. Ld. DR for the Revenue challenging the impugned order relied upon the remand report submitted by the AO discussed by the Id. CIT (A) in para 7 at page 45 of the impugned order wherein AO has reached the conclusion that addition of Rs.3,94,80,000/- under the head 'anonymous donation' u/s 115BBC of the Act has been rightly made but lost sight of the rejoinder filed by the assessee and reply filed thereto by the AO in para 11 at page 53 of the impugned order.

6. However, on the other hand, Id. AR for the assessee in order to repel the arguments addressed by the Id. DR for the Revenue contended that during appellate proceedings, the remand report was

called to which rejoinder was filed by the assessee and thereafter reply to the rejoinder was filed and AO has verified the entire donations flagged in this case and nothing adverse was found and relied upon the impugned order passed by the Id. CIT (A). No doubt, in the initial remand report dated 26.02.2016, AO reiterated the addition made under the head 'anonymous donation' u/s 115BBC of the Act but, in the rejoinder to the remand report dated 20.03.2017, AO verified the entire disputed donations flagged as anonymous donations by submitting following reply :-

**“Sub: Rejoinder to the remand report u/s 250(4) of the Income Tax Act, 1961 in the case of M/s Jai Maa Savitri Educational Society KJ-28 Kavi Nagar, Ghaziabad for AY 2010-11 – Reg.**

**Kindly refer to the your good officer F No. CIT(A)-MZR/2016-17/1134 dated 16.08.2016 on the above mentioned subject.**

**In this connection it is hereby stated that in response to the letter from your good office for sending report, this office vides letters dt. 24.01.2017 inadvertently replied that the Remand report dated 26.02.2016 has already been sent to your office. Later on it was noted that a second remand report was to be submitted in respect of verification of original documents including additional evidence relating to donations received by the assessee in respect of donation aggregating to Rs.3,94,80,000/-.**

**The assessee was directed to produce the original documents including additional evidence filled before your good self in support of following donation aggregating to Rs. 3,94,80,000/- which were produced by the assessee before me on 06.02.2017.**

1.	Ashu Mittal	Rs.1,50,000/-
2.	M/s. BSL Scalfolding Ltd.	Rs.10,00,000/-
3.	M/s. Lineman Halfco (India) Ltd.	Rs.10,00,000/-
4.	M/s. S. Tech Info Pvt. Ltd.	Rs.25,00,000/-
5.	M/s. HCL Peripherals Ltd.	Rs.30,00,000/-
6.	M/s. VIC Enterprises Pvt. Ltd.	Rs.50,00,000/-

7.	Mathushi Fatamabai Karim Mistri Charitable Trust	Rs.10,00,000/-
8.	Smt. Neera Bhatnagar	Rs.1,00,000/-
9.	Mr. Deepak Kumar Jain	Rs. 50,000/-
10.	Mr. Shobit Gupta	Rs. 30,000/-
11.	Mr. Vijay Kumar Bansal	Rs. 25,000/-
12.	Sh. Bimal Dutt Sharma	Rs. 25,000/-
13.	Ram Kumar Agarwal Charitable trust	Rs.11,00,000/-
14.	Mr. Isant Sharma	Rs.30,00,000/-
15.	Mr. Deepak J. Parekh	Rs.23,00,000/-
16.	Smt. Bandana Mishra	Rs.175,00,000/-
17.	Institute of Business Studies & Research	Rs.15,00,000/-
18.	Sh. Pawan Kumar Singhal	Rs.2,00,000/-

The original documents and copies of other documents including additional evidence such as confirmation letters, income tax returns, bank statement and other relevant documents in respect of above donation were verified on test basis and copies of some of the documents were obtained from the assessee which is placed on record.

Submitted for kind perusal.”

7. Consequently, Id. CIT (A) examined both the remand reports submitted by the AO in the light of the facts and circumstance of the case and grounds raised by the assessee and returned the following findings :-

“On going the facts of the case, submissions of the AR, remand report of the AO and rejoinder of the appellant have been considered. It is noted that the appellant has received corpus donations of Rs. 3.94 crore which have been treated by the AO as anonymous. The details of such corpus donations along with documentary evidence furnished in their support have been gone through with the details as under :-

Name & address of the donor (M/s./ Sh. Smt.)	Amount (in Rs.)	Explanation/ Documents filed before the AO/appellate proceedings
Ashu Mittal	150000/-	Confirmation, PAN particulars, address, copy of ITR, copy of bank

		<b>statement</b>
<b>BSL Scaffolding Ltd.</b>	<b>10,00,000/-</b>	<b>Confirmation, PAN particulars, address, copy of ITR, copy of bank statement</b>
<b>Lineman Haifco (India) Ltd.</b>	<b>1,00,000/-</b>	<b>Confirmation, copy of ITR, balance sheet, profit &amp; loss account, PAN particulars, address particulars</b>
<b>S. Tech. Info(P) Ltd.</b>	<b>25,00,000/-</b>	<b>Confirmation, PAN particulars, bank statements, address, resolution of the profit &amp; loss account, copy of ITR.</b>
<b>HCL Peripherals Ltd.</b>	<b>30,00,000/-</b>	<b>Confirmation, PAN Particulars address, copy of ITR, balance sheet, profit &amp; loss account</b>
<b>VIC Enterprises P. Ltd.</b>	<b>50,00,000/-</b>	<b>Confirmation, PAN Particulars , copy of ITR, balance sheet, profit &amp; loss account</b>
<b>Mthushi Fatmbai Karim Mistari Chart Trust</b>	<b>10,00,000/-</b>	<b>Confirmation,PANParticulars,bank statement, copy of ITR,address</b>
<b>Neera Bahadur</b>	<b>1,00,000/-</b>	<b>Confirmation, PAN particulars, copy of ITR</b>
<b>Deepak Kumar</b>	<b>50,000/-</b>	<b>Confirmation, PAN Particulars address, copy of ITR , copy of bank statement</b>
<b>Shobhit Gupta</b>	<b>30,000/-</b>	<b>Confirmation, PAN Particulars address, bank details</b>
<b>Vijay Kumar Bansal</b>	<b>25,000/-</b>	<b>Confirmation, PAN particulars, address, bank details</b>
<b>Bimal Dutta Sharma</b>	<b>25,000/-</b>	<b>Confirmation, PAN Particulars address, copy of ITR , copy of bank statement</b>
<b>Ram Kumar Agrawal Charitable Trust</b>	<b>11,00,000/-</b>	<b>Confirmation, copy of bank statement, copy of balance sheet/ Income &amp; Expenditure statement copy of ITR</b>
<b>Ishant Sharma</b>	<b>30,00,000/-</b>	<b>Confirmation, copy of bank statement, copy of balance sheet/profit &amp; loss account,</b>

		<b>copy of ITR</b>
<b>Deepak Parekh</b>	<b>J. 23,00,000/-</b>	<b>Confirmation, PAN Particulars address, copy of ITR, balance sheet, copy of capital account, copy of bank statement</b>
<b>Bandana Mishra</b>	<b>175,00,000/-</b>	<b>Confirmation, PAN Particulars address, copy of ITR , copy of bank statement</b>
<b>Institute of Business Studies &amp; Research</b>	<b>15,00,000/-</b>	<b>Confirmation, PAN particular, Copy of bank statement, copy of ITR along with annexures</b>
<b>Pawan Kumar Singhal</b>	<b>200000/-</b>	<b>Confirmation, PAN Particulars address, copy of ITR , copy of bank statement</b>
<b>Total</b>	<b>3,94,80,000/-</b>	

The AO in the remand report vide letter No. 2943 dated 20.03.2017 has stated that she has gone through and verified the evidences filed by the appellant for corpus donation of Rs. 3.94 crore as above. She has not made any adverse comments on the genuineness of the evidences furnished by the appellant in support of the corpus donation. It is provided u/s 115BBC of the Act that anonymous donations means any voluntary contribution in respect of which record having identity (name & address of the donor along with other particulars as prescribed) has not been maintained. In this case, on the factual matrix it is noted that the appellant has maintained complete record giving identity of the donors (name & address) along with particulars of the corpus donations received- amount, date, mode of payment. Under the facts it is noted that the provision of section 115 BBC of the Act are not attracted in this case. The facts of this case are covered by the ratio of case laws relied by the AR(supra). Accordingly, in view the discussion made as above, it is held that the AO was not justified in making addition of Rs.3.94 crore u/s 115BBC of the Act and the same is hereby deleted. Ground of appeal No. 1 is allowed. Ground of appeal No. 2 & 4 are not separately adjudicated as they have lost their relevance in view of the discussion made above while deciding ground of appeal No. 1.”

8. Perusal of the aforesaid extracted portion of the impugned order apparently goes to prove that all the donations initially flagged by the AO as “anonymous donation” have been duly

verified by way of confirmation, PAN numbers, copies of ITR, copy of bank statement of the donor and found correct both by the AO as well as ld. CIT (A). So, we find no ground to interfere with the impugned findings deleting the addition in question by the ld. CIT (A) by accepting the appeal filed by the assessee. Consequently, the appeal filed by the Revenue is dismissed.

9. However, before parting with this order, it is expedient to bring on record the fact that such like appeal are invariably filed just to generate the unnecessary litigation and the CBDT may take note of this futile exercise in filing such appeal to save time, energy and money of the state exchequer.

**Order pronounced in open court on this 29<sup>th</sup> day of January, 2021.**

Sd/-  
**(ANIL CHATURVEDI)**  
**ACCOUNTANT MEMBER**

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

**Dated the 29<sup>th</sup> day of January, 2021**  
**TS**

Copy forwarded to:

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

AR, ITAT  
NEW DELHI.