

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'G', NEW DELHI**

**Before Sh. Saktijit Dey, Judicial Member**

**Dr. B. R. R. Kumar, Accountant Member**

**ITA No. 1449/Del/2021 : Asstt. Year : 2018-19**

|   |    |                                       |
|---|----|---------------------------------------|
| Sita Devi Memorial Shiksha Sansthan,<br>D-196/2, Sector-51,<br>Noida-201301 | Vs | DCIT,<br>Central Circle,<br>Ghaziabad |
| <b>(APPELLANT)</b>  |    | <b>(RESPONDENT)</b>                   |
| <b>PAN No. AAETS8793E</b>   |    |                                       |

**ITA No. 1810/Del/2021 : Asstt. Year : 2018-19**

|                                       |    |   |
|---------------------------------------|----|---|
| DCIT,<br>Central Circle,<br>Ghaziabad | Vs | Sita Devi Memorial Shiksha Sansthan,<br>D-196/2, Sector-51,<br>Noida-201301 |
| <b>(APPELLANT)</b>                    |    | <b>(RESPONDENT)</b>   |
| <b>PAN No. AAETS8793E</b>             |    |   |

**Assessee by : Sh. Gaurav Jain, Adv. &  
Sh. Sanket Jain, Adv.**

**Revenue by : Sh. H. K. Choudhary, CIT DR**

**Date of Hearing: 17.03.2022**

**Date of Pronouncement: 18.05.2022**

**ORDER**

**Per Dr. B. R. R. Kumar, Accountant Member:**

The present appeals have been filed by the assessee as well as the Revenue against the orders Id. CIT(A)-4, Kanpur dated 07.09.2021.

2. In ITA No. 1449/Del/2021, the only tangible ground taken up by the assessee is as under:

*"2. The Id. CIT(A) is not justified in confirming the addition of Rs.6,35,022/- made by the AO invoking the*

*provisions of Section 69C of the Act treating the said amount as unexplained expenditure under the facts and circumstances of the case."*

3. In ITA No. 1810/Del/2021, the only ground taken up by the Revenue is as under:

*"On facts and circumstances of the case and in law, the Id. CIT(A) erred in deleting the addition made by AO to the tune of Rs.1,45,14,278/- on account of unexplained expenditure as the assessee failed to explain and furnish the required documentary evidences in respect of expenses incurred and the payments made towards construction during the course of assessment proceedings. The additional evidences produced by the assessee cannot be allowed, if they were not produced during the assessment proceedings."*

4. During the year, the assessee has shown additions to the building construction of Rs.3.63 crores. The assessee was asked by the AO to furnish the source of investment in the construction of the building. The assessee submitted that an amount of Rs.1 crore has been received as corpus donation from one entity namely M/s Nalanda Education Society. The AO held that on verification the assessee could submit the details of vendors amounting to Rs.3.16 crores instead of Rs.3.63 crores incurred by the assessee. The difference of amount of Rs.47,54,090/- is treated as unexplained expenditure u/s 69C of the Income Tax Act, 1961 by the Assessing Officer.

5. Further, the AO held that out of the list of vendors containing Rs.3.16 crores of expenditure, an amount of Rs.1,07,40,188/- pertaining to two bills dated 05.06.2017, 10.05.2017 of the entity namely M/s Metamarphosis Construction, only an amount of Rs.9,80,000/- has been made

on 26.04.2017. Since, no amounts have been paid to M/s Metamarphosis Construction, the remaining amount of Rs.97,60,188/- was also treated as unexplained and added to the total income of the assessee.

6. Aggrieved the assessee filed appeal before the Id. CIT(A).

7. Before the Id. CIT(A), the assessee submitted copies of the ledger account highlighting the said construction expenses along with details of payment thereof and copies of invoices. The Id. CIT(A) obtained the remand report from the AO on the details submitted by the assessee. The AO accepted all the bills amounting to Rs.3.63 crores. The Id. CIT(A) deleted the addition of Rs.46,54,090/- based on the remand report. Hence, we hereby affirm the order of the Id. CIT(A) on this ground.

8. With regard to amount of Rs.97,60,188/-, the AO vide report dated 09.03.2021 submitted that facts were verified and found that there was a debit balance of Rs.1,05,79,498/- as on 01.04.2017 in the ledger account of M/s Metamarphosis Construction and there was a further payment of Rs.9,80,000/- was made during the year and the invoices issued by the contractor were adjusted against the outstanding advances. Since, the matter has been accepted by the AO during the remand report. The Id. CIT(A) has rightly deleted the addition made by the AO which we affirm.

9. With regard to addition of Rs.6,35,022/- on account of bill in the name of Kone Elevator India Pvt. Ltd. The Id. CIT(A) confirmed the addition owing to non-submission of bill. It was submitted that there was opening balance of Rs.5,89,000/- and

a debit entry of Rs.11,64,800/-. The closing balance was Rs.81,104/-. The payment during the year were to the tune of Rs.11,64,800/- made on 28.08.2017. There was no amount paid as alleged by the Assessing Officer at para 4.3. Hence, the addition made by the AO is directed to be deleted.

10. In the result, the appeal of the assessee is allowed and that of the Revenue is dismissed.

Order Pronounced in the Open Court on 18/05/2022.

Sd/-

**(Saktijit Dey)**  
**Judicial Member**

**Dated: 18/05/2022**

**\*Subodh Kumar, Sr. PS\***

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-

**(Dr. B. R. R. Kumar)**  
**Accountant Member**

**ASSISTANT REGISTRAR**