

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

**BEFORE SH. N. K. BILLAIYA, ACCOUNTANT MEMBER
AND
SH.YOGESH KUMAR US, JUDICIAL MEMBER**

ITA No.25 & 26/Del/2020
Assessment Year: 2016-17 to 2017-18

Kartikay Nayyar C/o Anil Jain, DD & Co. 611, Surya Kiran building, KG Marg, New Delhi PAN No.ALXPN4900G	Vs.	ACIT Central Circle – 20 New Delhi
(APPELLANT)		(RESPONDENT)

Appellant by	Sh. Anil Jain, CA
Respondent by	Ms. Parvinder Kaur, CIT(DR)

Date of hearing:	21/06/2022
Date of Pronouncement:	23/06/2022

ORDER

PER N. K. BILLAIYA, AM:

ITA No. 25/Del/2020 and ITA No.26/Del/2020 are two separate appeals by the assessee preferred against two separate orders of the CIT(A) – 27 dated 16.10.2019 pertaining to A.Y. 2016-17 and 2017-18 respectively.

2. Since the underlying facts in the issue are common in both these appeals, they were heard together and are disposed of by this common order for the sake of convenience and brevity.

3. During the course of the assessment proceedings the AO came to know that various foreign travels were performed by the assessee during the years under consideration. Assessee was asked to explain the source of expenses incurred during foreign travel. In his reply the assessee stated that the amount of expenditure estimated by the AO is merely the estimates without any evidences and adverse material brought on record and the conclusion are merely a pure guess work. In respect of the source of expenses the assessee explained that the trip was sponsored by relatives and friends. The AO collected the information from the Government Agencies and came to know that he went abroad two times in F.Y.2015-16 and stayed overseas for 349 days accordingly the AO estimated the per day expenditure of the said stay at 150 US dollars and made addition of Rs. 34.66 lacks in F.Y. 2016-17 and Rs. 14.69 lakhs in F.Y. 2017-18.

4. Assessee strongly agitated the matter before the CIT(A) and the CIT(A) after considering the facts and the submissions came to the conclusion that the estimation of expenses is on the higher side. However, at the same time the CIT(A) was of the opinion that even the assessee has not filed any details to prove his contentions that the expenses have been made to the tune of US Dollar 25 per day only. On the given facts the CIT(A) estimated the expenses at US Dollars 75 per day and directed the AO to

restrict the addition to Rs.17653375/- in A.Y. 2016-17 and Rs.1163100/- in A.Y. 2017-18.

5. Before us the counsel for the assessee vehemently stated that the assessee went to London for pursuing the course of MBA and his stay was of 349 days. It is the say of the Counsel that during the vacation period the assessee worked in M/s. Comfort Hotel Leicester and has earned around 40,000 GBP which has not been considered by the revenue authorities. The Counsel stated that the assessee has produced the bills/ vouchers /confirmation of earning in London but the same have not been considered at all.

6. The Counsel stated that the estimation of expenses and the addition thereof is on the higher side.

7. Per contra the DR strongly supported the findings of the CIT(A).

8. We have given a thoughtful consideration to the orders of the authorities below. There is no dispute that the assessee went to UK. It is not also in dispute that the stay of the assessee was of 349 days. The only point of dispute is the earning of the assessee as claimed by him by working during his vacation period in M/s. Comfort Hotel Leicester, though in the paper book the assessee has furnished certain documentary evidences but the same need verification. We are of the considered view that by remanding the matter back to the files of the AO for verification from U.K. will be a cumbersome procedure when the tax revenue involved is very less. Therefore, in the interest of justice we direct

the AO to restrict the addition to Rs. 5,00,000/- in A.Y. 2016-17 and Rs. 3,00,000/- in A.Y. 2017-18. This should meet the ends of justice.

9. In the result, both the appeals by the assessee are partly allowed.

The order is pronounced in the open court on 23.06.2022.

Sd/-
(YOGESH KUAMR US)
JUDICIAL MEMBER

*NEHA, Sr. Private Secretary

Date:- .06.2022

Copy forwarded to:

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

Sd/-
(N. K. BILLAIYA)
ACCOUNTANT MEMBER

ASSISTANT REGISTRAR
ITAT NEW DELHI

Date of dictation	
Date on which the typed draft is placed before the dictating Member	
Date on which the typed draft is placed before the Other member	
Date on which the approved draft comes to the Sr.PS/PS	
Date on which the fair order is placed before the Dictating Member for Pronouncement	
Date on which the fair order comes back to the Sr. PS/ PS	
Date on which the final order is uploaded on the website of ITAT	
Date on which the file goes to the Bench Clerk	
Date on which file goes to the Head Clerk.	
The date on which file goes to the Assistant Registrar for signature on the order	
Date of dispatch of the Order	