

**IN THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD “SMC” BENCH, AHMEDABAD**

BEFORE Ms. SUCHITRA KAMBLE, JUDICIAL MEMBER

**ITA No.384/Ahd/2022
Assessment Year: 2016-17**

Shree Minisurvrat Swami Jain Derasar Pedhi, Shreemali Pole, Undi Vakhar – 392 001. Gujarat. [PAN – AABTS 1561 P]	Vs.	Income Tax Officer, Ward, Exemption, Vadodara.
(Appellant)		(Respondent)
Assessee by	Shri Hardik Vora, A.R.	
Revenue by	Shri Suraj Bhan Garwal, Sr. DR	
Date of Hearing	13.06.2023	
Date of Pronouncement	28.06.2023	

ORDER

This appeal is filed by the Assessee against order dated 12.08.2022 passed by the CIT(A), National Faceless Appeal Centre (NFAC), Delhi for the Assessment Year 2016-17.

2. The Assessee has raised the following grounds of appeal:-

- “1. *On the facts and circumstances of the case as well as law on the subject, the learned CIT(A) has erred in making disallowance of capital expenditure of Rs.5,32,634/-.*
2. *On the facts and circumstances of the case as well as law on the subject, the learned CIT(A) has erred in ignoring documents filed before him.*
3. *It is therefore prayed that the above addition/disallowance made by the assessing officer and confirmed by the learned CIT(A) may please be deleted.”*

3. The assessee trust filed return of income on 18.03.2017 declaring total income at Rs. Nil after claiming exemption under Section 11(1)(d) of the Income Tax Act, 1961 of Rs.1,35,01,748/-. The case was selected for complete scrutiny for the reasons to examine (a) whether voluntary contributions received by the Trust are correctly shown in return of income and (b) whether requirement of filing Form 10B has been complied with. Statutory notices were issued to the assessee. The

Assessing Officer after taking cognisance of the details submitted by the assessee, passed Assessment Order dated 15.10.2018. The Assessing Officer made disallowance of claim of set off of earlier year's loss to the extent of Rs.10,25,883/- and disallowance of capital expenditure to the extent of Rs.5,32,634/-.

4. Being aggrieved by the Assessment Order, the assessee filed appeal before the CIT(A). The CIT(A) partly allowed the appeal of the assessee.

5. The Ld. AR submitted that in respect of disallowance of capital expenditure, the CIT(A) has not at all taken cognisance of the ledger/invoices and vouchers alongwith bills submitted to the Assessing Officer during the assessment proceedings. The order of the CIT(A) is non-speaking order. The Ld. AR submitted that the expenses were incurred for the renovation work and, therefore, the same should have been allowed.

6. The Ld. DR relied upon the Assessment Order and the order of the CIT(A).

7. Heard both the parties and perused all the relevant material available on record. It is pertinent to note that the CIT(A) has not given any reasons as to why the details filed by the assessee are not in consonance with the capital expenditure. From the perusal of all the documents, it appears that the entire expenditure incurred on renovation along with the Engineer's Certificate and the estimation of expenditure as well as actual expenditure incurred by the assessee has been thoroughly calculated and the details of invoices and vouchers alongwith receipts from respective parties have also been produced before the CIT(A). The Paper Book filed before the Tribunal contains all the details from page nos.27 to 153 and the assessee has established the same. Therefore, the disallowance of Rs.5,32,634/- made by the Assessing Officer as well as confirmed by the CIT(A) was not justifiable. Hence, appeal of the assessee is allowed.

8. In the result, appeal filed by the assessee is allowed.

Order pronounced in the open Court on this 28th June, 2023.

Sd/-
(SUCHITRA KAMBLE)
Judicial Member

Ahmedabad, the 28th day of June, 2023

PBN/*

Copies to: (1) *The appellant*
(2) *The respondent*
(3) *CIT*
(4) *CIT(A)*
(5) *Departmental Representative*
(6) *Guard File*

By order

Assistant Registrar
Income Tax Appellate Tribunal
Ahmedabad benches, Ahmedabad