

IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'SMC' NEW DELHI

BEFORE SHRI VIKAS AWASTHY, JUDICIAL MEMBER

ITA No. 1049/DEL/2026 (AY 2021-22)

RINCHEN ZANGPO ENDOWMENT VS.
SOCIETY,
A-277, BARSATI FLOOR, SHIVALIK
COLONY, MALVIYA NAGAR, CHIRAG
DELHI, NEW DELHI – 110 017
(PAN:- AAATR2591P)
(APPELLANT)

INCOME TAX OFFICER,
WARD EXEMPTION 2(4),
NEW DELHI

(RESPONDENT)

Assessee by: S/Shri R.S. Singhvi, CA & Rajat Garg, CA
Revenue by: Shri Manoj Kumar, Sr. DR (Through VC)

Date of hearing : 25.03.2026
Date of pronouncement: 25.03.2026

ORDER

This appeal by the assessee is directed against the order of the Commissioner of Income Tax (Appeals), [Addl/JCIT(A)], Kochi [for short CIT(A)] dated 15.01.2026, for assessment year 2021-22.

2. Shri R.S. Singhvi, CA appearing on behalf of the assessee submits that the assessee is a registered charitable society. The assessee filed its return of income for assessment year 2021-22 declaring NIL income after claiming exemption u/s. 11 & 12 of the Income Tax Act, 1961 (hereinafter referred to as "the Act"). He further submits that during the period relevant to assessment year 2021-22, the assessee had received foreign contribution to the extent of Rs. 10,30,324/-. The said foreign contribution was duly accounted in the books of account and was also shown in the computation of income. However, while

filing the return of income, the assessee inadvertently failed to show foreign contribution in 'Schedule-VC'. The CPC while processing the return of income u/s. 143(1) of the Act raised a query and pointed an error committed by the assessee with regard to non-declaration of foreign contribution in Schedule-VC. The Ld. AR further submits that assessee explained that the amount of foreign contribution has been duly reflected in the books as well as return of income, however, in the return of income, it was inadvertently shown at wrong place. The CPC completed the assessment after adding back the foreign contribution of Rs. 10,30,324/-

3. The assessee carried the issue in appeal before the CIT(A). The CIT(A) records that the assessee has reflected the foreign contribution in the return of income in a wrong Schedule, but upholds the addition made by the CPC. The CIT(A) rejected contention of the assessee solely on the ground that the assessee should have filed revised return.

4. The Id. Counsel submits that it is not a case where the assessee has not reflected foreign contribution. Referring to CBDT's Circular No. 14(XL-35) dated 11.4.1955, he submits that the department cannot collect taxes more than what is due. The said Circular further clarifies that the Department should not take advantage of an assessee's ignorance to collect more tax than what is legitimately due from him.

5. Per contra, Shri Manoj Kumar, Sr. DR representing the Revenue defended the impugned order and prayed for dismissal of the appeal of assessee.

6. Both sides heard. Orders of the authorities below examined. The solitary issue in the instant appeal is with regard to addition of Rs. 10,30,324/- in respect of foreign contribution received by the assessee. It is an undisputed fact that the assessee has accounted foreign contribution in his books of account and has also reflected the same in the return of income filed for assessment year 2021-22. However, in the return of income, the assessee has shown foreign contribution in wrong Schedule i.e. instead of 'Schedule-VC', entire contribution has been

reflected in 'Schedule-AI'. It is not a case where the assessee has suppressed foreign contribution. The fact that the assessee has disclosed foreign contribution in the return of income is also accepted by the CIT(A), but the claim has been rejected solely for the reason that the assessee should have rectified the claim by filing revised return/belated revised return with an application for condonation before the appropriate authority. Considering entire facts of the case, I am of the considered view that the CIT(A) has erred in sustaining addition on account of foreign contribution of the assessee. Merely for the reason that in the return of income, the amount of foreign contribution is reflected at a place other than the designated place, cannot be a reason to sustain the addition. The Revenue cannot collect tax more than what is due from the assessee, taking advantage of assessee's ignorance or inadvertent mistake. Hence, addition of Rs. 10,30,324/- is deleted, the impugned order is set aside and appeal of the assessee is allowed.

Order pronounced in the Open Court on 25/03/2026.

**Sd/-
(VIKAS AWASTHY)
JUDICIAL MEMBER**

Date: 30-03-2026

'SRBHATNAGAR'

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1. Appellant
2. Respondent
3. CIT 4.CIT(A)
4. DR, ITAT

ASSTT. REGISTRAR