

**IN THE INCOME TAX APPELLATE TRIBUNAL
HYDERABAD BENCHES "A" : HYDERABAD**

**BEFORE SMT. P. MADHAVI DEVI, JUDICIAL MEMBER
AND
SHRI A. MOHAN ALANKAMONY, ACCOUNTANT MEMBER
(THROUGH VIRTUAL CONFERENCE)**

**I.T.A. No. 1231/HYD/2017
Assessment Year: 2009-10**

Pallavi Educational Society,
Hyderabad.

Income-tax Officer,
Vs Exemptions - 3, Hyderabad.

PAN – AAATP 3593M

(Appellant)

(Respondent)

For Assessee : Shri S. Rama Rao
For Revenue : Shri Sunil Kumar Pandey

Date of Hearing : 23-11-2020
Date of Pronouncement : 26-11-2020

ORDER

PER P. MADHAVI DEVI, J.M. :

This is an appeal of the assessee for the AY 2010-11 against the order of CIT(A) – 9, Hyderabad, dated 7th March, 2017 confirming the additions made in the assessment order passed u/s 143(3) rws 147 rws 144 of the IT Act.

2. The Id. counsel for the assessee submitted that initially the assessee had filed its return of income on 30/09/2009 declaring nil income after claiming exemption u/s 11 of the Act. It was

submitted that initially order u/s 143(3) of the Act was passed on 29/12/2011 denying the exemption claimed u/s 11 of the Act for violating the provisions of section 13(1)(c) of the act and the income was assessed at Rs. 60,95,011/-. Subsequently, the assessment was reopened u/s 147 of the Act and the assessee was asked to show cause as to why this assessment should not be completed by disallowing an amount of Rs. 1,08,262/- debited in the income and expenditure account towards TDS. Since the assessee did not appear and no explanation was offered, the AO passed exparte order and brought to tax the said amount of Rs. 1,08,262/-. Against this order, the assessee filed an appeal before the CIT(A), who confirmed the assessment order. Against the order of CIT(A), the assessee is in second appeal before the Tribunal.

3. The Id. counsel for the assessee submitted that initially assessment order u/s 143(3) was passed denying the claim of exemption u/s 11, which was challenged before the CIT(A) and subsequently before the Tribunal and the Tribunal vide its order dated 13/12/2017 in ITA No. 482/Hyd/2013 has allowed the exemption u/s 11 of the IT Act. He, therefore, submitted that in the present appeal, the Tribunal may direct the AO to recompute the income of the assessee in accordance with the decision of the ITAT. The Id. DR also agreed to the same.

4. Having regard to the rival contentions and perusing the material on record, we are of the view that since exemption u/s 11 has been allowed to the assessee by the Tribunal in the assessee's own case in the earlier appeal against the original assessment, it would suffice if the AO is directed to recompute the income by taking into consideration the directions of the ITAT. Accordingly, the appeal of the assessee is treated as allowed for statistical purposes.

5. In the result, appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open court on 26th November, 2020.

**Sd/-
(A. MOHAN ALANKAMONY)
ACCOUNTANT MEMBER**

**Sd/-
(P. MADHAVI DEVI)
JUDICIAL MEMBER**

Hyderabad, Dated: 26th November, 2020.

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Copy to :

- 1. Pallavi Educational Society, 7th Floor, Minerva Complex,
94, SD Road, Secunderabad – 500 003.*
- 2. ITO, Exemptions – 3, Aayakar Bhavan Towers,
Basheerbagh, Hyderabad.*
- 3. CIT(Appeals) - 9, Hyderabad.*
- 4. CIT (Exemptions), Hyderabad.*
- 5. D.R. ITAT, Hyderabad.*
- 6. Guard File.*