

**IN THE INCOME TAX APPELLATE TRIBUNAL
“A” BENCH : BANGALORE**

**BEFORE SHRI GEORGE GEORGE K, VICE PRESIDENT AND
SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER**

ITA No.402/Bang/2023
Assessment Year : 2016-17

M/s. Karnataka Vidyavardhaka Trust, 314/1, 7 th Cross, Behind BTS Garage, Vijayanagar, Bengaluru – 560 040. PAN : AAATK 1084 G	Vs.	The Income Tax Officer (Exemptions), Ward 2, Bengaluru.
APPELLANT		RESPONDENT

Assessee by	:	Shri. Siddesh Gaddi, CA
Revenue by	:	Shri. Sankar Ganesh D, JCIT (DR)(ITAT), Bengaluru.

Date of hearing	:	04.07.2023
Date of Pronouncement	:	04.07.2023

ORDER

Per George George K, Vice President:

This appeal at the instance of the assessee is directed against the Order of CIT(A), dated 31.03.2023, passed under section 250 of the Income Tax Act, 1961 (hereinafter called ‘the Act’). The relevant Assessment Year is 2016-17.

2. Brief facts of the case are as follows:

Assessee is a Trust formed by trust deed dated 13.10.1986. Assessee is registered under section 12A of the Act, on 29.03.2000. It is engaged in educational activities. For the Assessment Year 2016-17, return of income was filed on 05.08.2016 by declaring gross total income of Rs.2,07,00,621/- and

claimed exemption under section 11(1) of the Act. The assessment was completed under section 143(3) of the Act, vide order dated 30.12.2018. In the said order, the taxable income was arrived at Rs.3,16,37,712/-.

3. Aggrieved by the Assessment Order, assessee filed appeal before the First Appellate Authority (FAA). The CIT(A) partly allowed appeal of the assessee vide the impugned order dated 31.03.2023.

4. Aggrieved by the order of the CIT(A), assessee has filed the present appeal before the Tribunal. Assessee has filed the Paper Book enclosing therein the notice issued by the Office of FAA, the submissions made before the AO and CIT(A), the evidence of party wise breakup of amounts of settlements of disputes, etc. The learned AR submitted that CIT(A) has passed an ex-parte order. It was stated by the learned AR that only one notice was issued by Office of FAA for furnishing written submission and the assessee had sought for an adjournment. Assessee has placed on record the notice issued and the assessee's online request for adjournment. It was stated that CIT(A), without considering the adjournment request, has erred in passing the impugned order against the principles of natural justice. Therefore, it was submitted that the matter may be restored to the files of the CIT(A) since the evidence needs to be examined.

5. The learned DR supported the order of the AO and the CIT(A).

6. We have heard the rival submissions and perused the material on record. Admittedly, before the CIT(A), assessee received only one notice for filing written submissions (notice dated 06.03.2023). In response to the notice issued by the CIT(A), assessee filed an adjournment request and same is placed on record. The CIT(A), without considering this adjournment request, had passed the impugned order. In the interest of justice and equity, we are of the view that

one more opportunity should be provided to the assessee to furnish its written submissions. Accordingly, the case is restored to the files of the CIT(A). The CIT(A) is directed to afford reasonable opportunity to the assessee to furnish its written submissions. The assessee is directed not to seek unnecessary adjournments in furnishing its written submissions/evidences in support of its case. It is ordered accordingly.

7. In the result, appeal filed by the assessee is allowed for statistical purposes.

Pronounced in the open court on the date mentioned on the caption page.

Sd/-

(LAXMI PRASAD SAHU)
Accountant Member

Sd/-

(GEORGE GEORGE K)
Vice President

Bangalore.

Dated: 04.07.2023.

/NS/*

Copy to:

- | | |
|-------------------------|---------------|
| 1. Appellants | 2. Respondent |
| 3. CIT | 4. CIT(A) |
| 5. DR, ITAT, Bangalore. | 6. Guard file |

By order

Assistant Registrar,
ITAT, Bangalore.