

आयकर अपीलीय अधिकरण, 'सी' न्यायपीठ, चेन्नई।  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**'C' BENCH: CHENNAI**

श्री यस यस विश्वनेत्र रवि, न्यायिक सदस्य एवं श्री जगदीश, लेखक सदस्य के समक्ष  
**BEFORE SHRI SS VISWANETHRA RAVI, JUDICIAL MEMBER AND**  
**SHRI JAGADISH, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.2550/Chny/2024  
निर्धारण वर्ष /Assessment Year: 2018-19

The Dy. Commissioner of  
Income Tax (Exemptions),  
Coimbatore.

**Vs.** The Kunnathur Kongu Vellalar  
Trust,  
Kongu Matri School Campus,  
Athiyur Road,  
Kunnathur – 638 452.  
[PAN: AAATT 2182Q]

(अपीलार्थी/**Appellant**)

(प्रत्यर्थी/**Respondent**)

अपीलार्थी की ओर से/ Assessee by

: Shri T.S. Lakshmi Venkatraman,  
FCA (virtual)

प्रत्यर्थी की ओर से /Revenue by

: Ms. R. Anitha, Addl. CIT

सुनवाई की तारीख/Date of Hearing

: 29.01.2025

घोषणा की तारीख /Date of Pronouncement

: 12.03.2025

**आदेश / ORDER**

**PER JAGADISH, A.M :**

Aforesaid appeal filed by the Revenue for Assessment Year (AY) 2018-19 arises out of the order of Learned Commissioner of Income Tax, National Faceless Appeal Centre (NFAC), Delhi [hereinafter "CIT(A)"] dated 28.08.2024 in the matter of assessment framed by Ld. Assessing Officer [AO] u/s. 147 r.w.s 144B of the Income-tax Act, 1961 (hereinafter "the Act") on 27.03.2023.

2. The grounds raised by the Revenue are as under:

*“Whether Ld. CIT(A) is justified in allowing the expenditure claimed when the assessee failed to comply with the statutory time-limits in filing the Return of Income and Audit Report within the due date which is a mandatory requirement for claiming the exemption u/s 11/12 of the Act and there is no order received by the assessee from prescribed authority condoning the delay in filing return of income and audit report.*

*2. Any other reason that may be adduced at the time of hearing.”*

3. The assessee is a trust and running a Metric Higher Secondary School. The A.O has reopened the assessment for the reason that the assessee has cash deposits of Rs. 1,52,28,700/- in Indian Overseas Bank . In response to notice u/s. 148 of the Act, the assessee has filed return of income showing total income of Rs. 2,51,200/-. The A.O in the order passed u/s. 147 of the Act has accepted the assessee’s explanation of cash deposit and recorded that no addition is made and assessed income accordingly. However, in the computation sheet he has computed tax on income of Rs. 2,05,90,503/-. On appeal, the Ld. CIT(A) deleted the addition holding that if no addition has been made in the assessment order and income has been assessed at Rs Nil, the computation cannot be made at income different from income assessed.

4. Ld DR argued that assessee has not filled return within date, so benefit of allowing capital expenditure as application cannot be granted, therefore A. O has computed tax on gross receipt.

4. The Ld. Authorized Representative, on the other hand, has supported the order of Ld. CIT(A) and submitted that the assessee has filed return of income showing total income of Rs. 2,51,200/- and the A.O in the assessment order has not made any addition and therefore, computation of tax at the income of Rs. 2,05,90,503/- is not justified.

5. We have heard the rival submissions, and perused the materials available on record. We find that the A.O has reopened the assessment for the reason that the assessee had cash deposits of Rs.1,52,28,700/- in its bank account. However, in the assessment order, the explanation provided by the assessee was accepted, and no addition was made. The Ld. CIT(A) has accordingly held that when no addition has been made in the assessment order and the income has been assessed at Nil, the computation cannot be made at income different from income assessed. We note that assessing officer has not made any addition in the assessment order passed u/s 147 of the Act and has accepted assessee's explanation for which the case was

: - 4 - :

reopened. Therefore, we do not find any infirmity in the order of Ld. CIT(A) and hence, the appeal filed by the Revenue is dismissed.

6. In the result, the appeal filed by the Revenue is dismissed.

*Order pronounced on 12<sup>th</sup> March, 2025.*

**Sd/-**  
**(यस यस विश्वनेत्र रवि)**  
**(SS Viswanethra Ravi)**  
**न्यायिक सदस्य / Judicial Member**

**Sd/-**  
**(जगदीश)**  
**(Jagadish)**  
**लेखा सदस्य / Accountant Member**

चेन्नई/Chennai, दिनांक/Dated: 12<sup>th</sup> March, 2025.

EDN/-

आदेश की प्रतिलिपि अग्रेषित/**Copy to:**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT, Coimbatore
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF