

आयकर अपीलीय अधिकरण, कटक न्यायपीठ, कटक

IN THE INCOME TAX APPELLATE TRIBUNAL CUTTACK BENCH CUTTACK

BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER

AND

SHRI MADHUSUDAN SAWDIA, ACCOUNTANT MEMBER

आयकर अपील सं/ITA No.61/CTK/2026

(निर्धारण वर्ष / Assessment Year : 2019-2020)

Naitik Educational and Charitable Trust, Mandar Bagicha Pada, Bhawanipatna, Kalahandi-766001	Vs	ITO Exemption Ward, Sambalpur /ACIT CPC Bengaluru
PAN No. : AABTN 7014 N		
(अपीलार्थी / Appellant)	..	(प्रत्यर्थी / Respondent)
निर्धारिती की ओर से / Assessee by	:	Shri Digant Das, Advocate
राजस्व की ओर से / Revenue by	:	Shri Vijay Singh, Sr. DR
सुनवाई की तारीख / Date of Hearing	:	20/02/2026
घोषणा की तारीख / Date of Pronouncement	:	20/02/2026

आदेश / ORDER

Per Bench :

This is an appeal filed by the assessee against the order of the Ld.Addl./JCIT(A)-9, Mumbai, dated 06.01.2026 for the assessment year 2019-2020.

2. It was submitted by the Id. AR that the appeal is against the order u/s.143(1) of the Act for the A.Y.2019-2020 issued by the CPC, which has been confirmed by the Id. CIT(A). It was the submission that denial of exemption u/s.11 of the Act and taxing the entire gross receipts of the assessee is beyond the power of CPC u/s.143(1) of the Act. Therefore, it is submitted that the intimation issued u/s.143(1) of the Act is liable to be quashed and in consequence thereof the order passed by the Id. CIT(A) deserves to be dismissed.

3. In reply, Id. Sr. DR vehemently supported the orders of the CPC and Id. CIT(A).

4. We have considered the rival submissions. A perusal of intimation u/s.143(1) of the Act shows that the CPC has denied the exemption claimed by the assessee u/s.11 of the Act and brought to tax the entire gross receipt of the assessee as its income. If the Revenue desires to deny the claim of the assessee u/s.11 of the Act, then the option available to the Revenue was to assess the real income of the assessee u/s. 143(3) of the Act, instead of treating the entire gross receipt as income in the hands of the assessee u/s.143(1) of the Act. As the intimation issued u/s.143(1) of the Act taxing the gross receipts is not in line with the provisions of section 143(1) of the Act, the intimation u/s.143(1) of the Act stands quashed. Accordingly, the order of the Id. CIT(A) is also set aside.

5. In the result, appeal of the assessee is allowed..

Order dictated and pronounced in the open court on 20/02/2026.

Sd/-
(MADHUSUDAN SAWDIA)

लेखा सदस्य/ **ACCOUNTANT MEMBER**

Sd/-
(GEORGE MATHAN)

न्यायिक सदस्य / **JUDICIAL MEMBER**

दिनांक Dated 20/02/2026

Prakash Kumar Mishra, Sr.P.S.

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant -
2. प्रत्यर्थी / The Respondent-
3. आयकर आयुक्त(अपील) / The CIT(A),
4. आयकर आयुक्त / CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, कटक / DR, ITAT, Cuttack
6. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//

आदेशानुसार/BY ORDER,

(Assistant Registrar)

आयकर अपीलीय अधिकरण, कटक/ITAT, Cuttack