

The Commissioner of Income Tax, CIT(A) Exemption & Anr. v. M/s. Ananda Social and Education Trust

ITA No. 167 of 2022 c/w ITA No. 107 of 2022

2026:KHC:40001-DB | 2026-07-30

Following lead judgment in ITA Nos. 112/2022 & 168/2022, Revenue's appeals for AY 2014-15 challenging deletion of alleged unaccounted UG/PG/COMED-K fee additions dismissed.

Income-tax Act, 1961: sections 2(24)(iia), 11, 12, 132, 153A and 260A

High Court of Karnataka at Bengaluru | 2-judge bench (Division Bench) | S.G. Pandit, J. | Dr. K. Manmadha Rao, J.

Assessment years: 2014-15

Substantial Question of Law No. 3 left open

Paragraph 5 (PDF p. 5) answers Questions 1 and 2 in favour of the assessee while leaving Question 3 open.

01 FACTS OF THE CASE

The Revenue preferred ITA No. 167 of 2022 and ITA No. 107 of 2022 under section 260A for AY 2014-15 challenging the common ITAT Bengaluru order dated 29.05.2020 (in ITA No. 2660/Bang/2017 and ITA No. 2548/Bang/2017) deleting search additions for alleged unaccounted medical college fees.

Source: [Paragraphs 1-3; PDF pp. 1-5 \(20260730_KAHC010120142021.pdf\)](#)

02 DISCUSSION BY THE HON'BLE COURT

The Division Bench noted that in ITA No. 112/2022 and ITA No. 168/2022 between the same parties (which specifically examined the seized materials for AYs 2009-10 and 2014-15), identical substantial questions of law had been answered in favour of the assessee and against the Revenue.

Source: [Paragraphs 4-5; PDF p. 5 \(20260730_KAHC010120142021.pdf\)](#)

03 JUDICIAL DECISION

Following the judgment in ITA Nos. 112/2022 and 168/2022, the Court answered Substantial Questions of Law Nos. 1 and 2 in favour of the assessee and against the Revenue, left Question No. 3 open, and dismissed both appeals.

Source: [Paragraph 5; PDF p. 5 \(20260730_KAHC010120142021.pdf\)](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of the assessee (M/s. Ananda Social and Education Trust); Questions 1 & 2 answered for assessee, Question 3 left open, and Revenue appeals dismissed.

Source: [Paragraph 5; PDF p. 5 \(20260730_KAHC010120142021.pdf\)](#)

05 AKHB REVIEW POINT

AKHB analysis: Even for the search year (AY 2014-15) to which the PA's diary entries related, failure by the AO to examine students or parents or corroborate loose-sheet negotiations renders capitation-fee additions unsustainable.

Source: [Full judgment PDF \(5 pp.\)](#)

SOURCE & VERIFICATION

[Original judgment PDF \(20260730_KAHC010120142021.pdf\)](#)

Reviewed from the complete 5-page official High Court judgment PDF (20260730_KAHC010120142021.pdf, SHA-256: 8360f8e242ca8bbfdee4dd7a4dce32fa2665bf1aa34f4a5108doc293b1150c3c).

Supplied source-reviewed note retained; original bytes and identity validation checked in this release. Substantive re-review is not claimed for this record.

Open cited source rendition

Primary source verified page-by-page (5 physical pages, 85,446 bytes, SHA-256: 8360f8e242ca8bbfdee4dd7a4dce32fa2665bf1aa34f4a5108doc293b1150c3c). Cloud Google Drive File ID: 1uqXbAvf8P56eUQfVDNRiDjyVDMkWPrAd (<https://drive.google.com/file/d/1uqXbAvf8P56eUQfVDNRiDjyVDMkWPrAd/view>).

STATUTORY SCOPE

Refers to the Income-tax Act, 1961 and allied statutory rules/circulars as applicable to the relevant assessment years.

LATER TREATMENT

Source checked 2026-10-18. No subsequent Supreme Court reversal or stay is recorded in the source judgment text.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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