



**2.1.** Aggrieved, the assessee preferred an appeal before the CIT(A), who confirmed the order of the AO for non-appearance of the assessee and also on merits of the case.

**2.2.** Aggrieved, the assessee is in second appeal before the Tribunal.

**3.** Ld.Counsel for the assessee submitted that there is a delay of 86 days in filing appeal before the Tribunal and has filed an application for condonation of delay stating that the appeal order was not sent to him, but was sent to his A.R., who did not inform him about the receipt of the order and, therefore, there is a delay of 86 days in filing the appeal.

**3.1.** On going through Form 35, I find that the address given therein for service of notices to the assessee was that of the Authorised Representative only. Therefore, I am inclined to accept that the order was served on his A.R., who may not have informed the assessee. Therefore, I condone the delay of 86 days in filing of the appeal before the Tribunal.

**3.2.** On merits, the Ld.Counsel submitted that though the objectives of the assessee society are not solely for educational purposes and some of the objectives are also charitable in nature, since the assessee carried on only educational activity during the relevant AY, it existed solely and wholly for educational purposes and since its total receipts during the relevant F.Y. is less than Rs.1 crore, it was eligible to claim exemption u/s 10(23C)(iiiad) of the Act. He submitted that the words used in the section are “existing solely for educational purposes and not formed for profit.” Therefore, he prayed that the AO may be directed to allow exemption u/s 10(23C)(iiiad) of the Act to the assessee.

**3.2.** Ld.DR on the other hand, supported the orders of the authorities below.

**4.** Having regard to rival contentions and material placed on record, I find that the assessee’s only activity throughout the period since its inception is carrying on of educational activities only. Therefore, it can safely be said that it existed solely for educational purposes during relevant AY. However, these facts need verification by the AO. Therefore, I deem it fit and proper to remand the issue to the file of the AO for the limited purpose to find out whether the

assessee society existed solely for educational purposes i.e. it is carrying on only educational activities during the relevant A.Y. and if it is found to be correct, the assessee is to be allowed exemption u/s 10(23C)(iiiad) of the Act.

**5.** In the result, assessee's appeal is treated as allowed for statistical purposes.

Order pronounced in Open Court on 11<sup>th</sup> November, 2019.

Sd/-

**(P MADHAVI DEVI)**  
**JUDICIAL MEMBER**

Dated: 11<sup>th</sup> November, 2019.

*\*G.M.V.\**

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3. Pr.CIT, Kurnool
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5. Guard File

// C o p y //

1.	Draft dictated on	04/11/19
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3.	Draft placed before the second Member	
4.	Draft approved by second Member	
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6.	Kept for Pronouncement	
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