

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

**BEFORE SHRI PRASHANT MAHARISHI, VICE PRESIDENT
AND
SHRI PRAKASH CHAND YADAV, JUDICIAL MEMBER**

ITA No.2022/Bang/2024
Assessment Year: 2015-16

Sri Basaveshwara Patthina Souharda Sahakari Niyamitha Soukarda Sahakari Niyami 1214 Sante Market Kushtagi Koppal Kothagudem 553 279 Karnataka PAN NO : AAJAS7975E	Vs.	ITO Ward-1 Koppal Karnataka
APPELLANT		RESPONDENT

Appellant by	:	Sri Siddhesh Nagraj Gaddi, A.R.
Respondent by	:	Ms. Neha Sahay, D.R.

Date of Hearing	:	28.11.2024
Date of Pronouncement	:	28.11.2024

O R D E R

PER PRAKASH CHAND YADAV, JUDICIAL MEMBER:

Present appeal of the assessee is arising from the order of Id. CIT(A) dated 5.3.2024 having DIN & Order No.ITBA/NFAC/S/250/2023-24/1061991212(1) passed u/s 250 of the Income Tax Act, 1961 (in short “The Act”) for the AY 2015-16.

2. There is a delay of 173 days in filing of the appeal before us. Id. Counsel for the assessee explaining cause of delay has drawn the attention of Bench towards the affidavit filed by the authorized signatory of the assessee society and contended that the employees of the assessee society were living in rural area of Karnataka and not conversant with the procedure of compliance via net for downloading and uploading documents on the income tax portal and they came to

know about the fate of the CIT(A) order only when the AO has passed the penalty order somewhere in September, 2024.

3. The ld. D.R. strongly opposed the prayer of the counsel of the assessee in respect of the condonation application.

4. After considering the rival submissions and perused the affidavit filed by the assessee, we observe that it is case of ordinate delay, we are of the view that there was a reasonable cause and hence, delay so happened has to be condoned. Accordingly, we admit the appeal and proceed to decide the appeal on merits.

5. Short facts regarding the present appeal are that the assessee is a society registered under the Karnataka State Co-operative Act, 1959. It did not file any return of income for the impugned assessment year. Thereafter, it has come to the notice of department that assessee has deposited substantial cash in its bank account in financial year 2014-15 relevant to assessment year 2015-16 which period is before the commencement of demonetization. Accordingly the case of the assessee has been reopened under section 148A of the Act. Thereafter, the AO issued notice u/s 148A of the Act and asked the assessee to file the return of income. The AO has also issued the notice u/s 142(1) of the Act. However, none of the notice issued by the AO have been complied with by the assessee and accordingly, the AO added the entire amount as unexplained investment u/s 69A of the Act.

5.1 Aggrieved with the order of AO, the assessee preferred appeal before the ld. CIT(A) and assailed the order of ld. AO. However, the ld. CIT(A) also dismissed the appeal of the assessee in limine for the reason that nobody from the office of assessee have ever appeared before the ld. CIT(A).

5.2 Now the assessee has come up in appeal and contended that none of the notices issued by the Id. CIT(A) has ever been received by the assessee. We also observe that in Form 35, the assessee has categorically mentioned that no notice could be sent on the e-mail ID of the professional given in Form-35. However, it appears that all the notices have been issued by the office of Id. CIT(A) via mail only. Therefore, considering the facts and circumstances of the case and in the interest of justice, we restore this matter to the file of AO for examining afresh. We also direct the assessee to produce all the details with respect to the source of cash to substantiate its contention that the cash has been received from the members of the society. The assessee will file the details of all the members such as Aadhar card, PAN card and other KYC details before the AO during the remand proceedings. Needless to say, that the AO will afford reasonable opportunity of being heard to the assessee.

6. In the result, appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open court on 28th Nov, 2024

Sd/-
(Prashant Maharishi)
Vice President

Sd/-
(Prakash Chand Yadav)
Judicial Member

Bangalore,
Dated 28th Nov, 2024.
VG/SPS
Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The DR, ITAT, Bangalore.
5. Guard file

By order

**Asst. Registrar,
ITAT, Bangalore.**