

आयकर अपीलीय अधिकरण, विशाखापटणम पीठ, विशाखापटणम

**IN THE INCOME TAX APPELLATE TRIBUNAL
VISA KHAPATNAM "SMC" BENCH, VISA KHAPATNAM**

(HYBRID HEARING)

**श्री रवीश सूद , न्यायिक सदस्य एवं श्री एस बालाकृष्णन, लेखा सदस्य के समक्ष
BEFORE SHRI RAVISH SOOD, HON'BLE JUDICIAL MEMBER**

&

SHRI S BALAKRISHNAN, HON'BLE ACCOUNTANT MEMBER

**आयकर अपीलसं./I.T.A.No.427/VIZ/2025
(निर्धारण वर्ष/ Assessment Year: 2016-17)**

Mahalakshmi Sanagala 11-181, Viswanadham Bazar Vuyyuru Mandalam Vuyyuru – 521165 Andhra Pradesh [PAN: AJGPC7683N]	Vs.	The Income Tax Officer -Ward (1) Gudiwada Andhra Pradesh
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करदाता का प्रतिनिधित्व/ Assessee Represented by	:	Shri C. Subrahmanyam, CA
राजस्व का प्रतिनिधित्व/ Department Represented by	:	Dr. Aparna Villuri, Sr.AR
सुनवाई समाप्त होने की तिथि/ Date of Conclusion of Hearing	:	06.11.2025
घोषणा की तारीख/Date of Pronouncement	:	26.11.2025

आदेश / O R D E R

PER SHRI S. BALAKRISHNAN, ACCOUNTANT MEMBER:

1. This appeal is filed by the assessee against order of Learned Commissioner of Income Tax (Appeals), National Faceless Appeal centre, Delhi [hereinafter in short "Ld.CIT(A)"] vide DIN & Order No.

ITBA/NFAC/S/250/2024-25/1074640700(1) dated 18.03.2025 for the A.Y.2016-17 arising out of the order passed under section 147 of Income Tax Act, 1961 (in short 'Act') dated 27.02.2024.

2. At the outset, it is noticed from the appeal record that there is a delay of 41 days in filing the appeal before the Tribunal. Explaining the reasons for belated filing of the appeal, the Ld. AR drew our attention to the affidavit filed by the assessee along with a petition seeking for condonation of delay and read out the contents of the petition which is as under: -

1. Assessee was served with CIT(A) order on dt. 18.03.2025, passed u/s. 250 of the IT Act. Whereas, the assessee being aggrieved was desirous to file appeal before the Hon'ble ITAT and the appeal was filed on dt: 11.07.2025 as against the due date of filing i.e., dt. 31.05.2025, thus causing a delay of 41 days. The reasons and circumstances under which the appeal was filed belatedly are stated here under:

2. Whereas, it is stated that the assessee was go to counsel office for signing appeal papers on dt. 25.05.2025 but fallen ill effected with dengue fever, therefore, could not move out from the house. However, after recovery requested the counsel to prepare appeal papers accordingly, after completion the same was signed and were filed on dt. 11.07.2025 causing a delay of 41 days.

3. In light of the above, it is respectfully submitted that this delay in filing the appeal belatedly was not as a result of any negligence or lack of diligence, but solely due to the unfortunate and unforeseen circumstances surrounding assessee health.

4. I understand the importance of adhering to statutory timelines and sincerely apologize for this delay.

5. I humbly pray the Hon'ble Bench for favorable consideration of this delay."

3. On perusal of the contents of the affidavit filed by the assessee as well as the submission of the Ld. AR and medical certificate, we find that the assessee

is prevented by a reasonable and sufficient cause in filing the appeal beyond the prescribed time limit with a delay of 41 days. Therefore, we hereby condone the delay of 41 days in filing the appeal before the Tribunal and proceed to adjudicate the appeal on merits in the following paragraphs.

4. Brief facts of the case are that, assessee being an individual did not file her return of income for the A.Y. 2015-16. As per the Information with the Risk Management Strategy Formulated by the Department, it was noticed that assessee has deposited cash of 51,00,000/- for the A.Y. 2016-17. As, Ld.Assessing Officer [hereinafter in short "Ld. AO"] has reason to believe that income chargeable to tax has escaped assessment therefore issued notice under section 148 of the Act on 29.03.2023. In response, assessee has not filed any compliance. Further, Ld. AO issued various notices under section 142(1) of the Act requiring the assessee to submit the details and evidences required for the purpose of verification and examination of issue involved in the assessment proceedings. In response, assessee filed return of income on 27.12.2023 declaring total taxable income of Rs.5,93,450/- that constituted income from salary and business. The assessee has partly furnished submissions on various dates i.e., 03.01.2024, 05.01.2024 and 26.01.2024 and submitted that the escapement of income in her case for the year under consideration is below the amount specified in the provisions of section. 148 of the Act.

5. Further, Ld. AO also issued notice under section 133(6) of the Act to Banks calling for the details of bank account statements held in the name of the assessee. In response to notice under section 133(6) of the Act, bank furnished details called for by the Ld. AO.

6. After considering the submissions of the assessee, Ld. AO did not accept the explanations as the assessee has not produced the requisite supporting documentary evidences to establish the same. Thereafter, Ld. AO proceeded to complete the assessment under section 147 r.w.s. 144B of the Act based on the material available on record and information gathered from the bank and determined the income of the assessee at Rs.13,93,450/- by making addition of cash deposits of Rs.8,00,000/- as unexplained money under section 69A of the Act.

7. On being aggrieved by the addition made by the Ld. AO, assessee filed an appeal before Ld. CIT(A). Ld. CIT(A) upheld the order of the Ld. AO since assessee has not responded to any of the notice / opportunities provided to the assessee.

8. On being aggrieved by the order of the Ld. CIT(A), assessee is in appeal before us by raising following grounds of appeal: -

“1. That on the facts and circumstances of the case and in law, the orders passed u/s 147 r.w.s.144 r.w.S. 144B of the IT Act, 1961, dt.27-02-2024, as upheld by the Ld. CIT(A), NFAC vide orders passed u/s 250 of the IT Act, dt. 18-03-2025, are contrary to the facts of the case and the provisions of law, and therefore, deserve to be set aside.

2. *That the impugned appellate order has been passed in violation of the provisions of section 250(6) of the IT Act, 1961, as the Ld. CIT(A) failed to dispose of the appeal on merits and did not address the specific contentions. Hence, the order is bad in law and deserves to be quashed.*

3. *That the Ld. CIT(A) failed to grant reasonable and adequate opportunity of being heard to the appellant, thereby violating the principles of natural justice.*

4. *That the Ld. CIT(A) has erred in law and on facts in confirming the impugned order passed u/s 147 r.w.s 144 r.w.s. 144B of the IT Act, 1961, wherein, the issue relates to cash deposits of Rs. 8,00,000/-alleged to be unexplained, without properly appreciating or considering the material available on record.*

5. *For these and other reasons that may be urged at the time of hearing, the appellant prays that the orders passed u/s 250 of the IT Act be set aside and the additions made by the AO be deleted.”*

9. At the outset, Ld. Authorised Representative [hereinafter “Ld.AR”] submitted that the Ld. CIT(A) has passed the order without providing sufficient opportunities to the assessee. He further pleaded that the assessee could not respond to the notices issued by the Ld. CIT(A). He therefore prayed for one final opportunity before Ld. CIT(A) to submit the relevant documents.

10. Per contra, Ld. Departmental Representative [hereinafter in short “Ld.DR”] strongly objected to the plea of the Ld.AR and vehemently argued that revenue has provided ample opportunities to the assessee as detailed in their respective orders. However, assessee has failed to comply with the notices issued by the Revenue Authorities. She therefore pleaded that the no further opportunity should be granted and prayed for upholding the order of the Ld.CIT(A).

11. We have heard rival contentions and perused the material available on record. It is an undisputed fact that the assessee has not complied with the notices and has also not responded to the various notices issued to the assessee as detailed in the order of the Ld. CIT(A). Considering the facts and circumstances of the case, as well as the prayer of the Ld. AR and in the interest of justice, we hereby remit the matter back to the file of Ld. CIT (A) in order to consider the appeal afresh and decide the case on merits by providing one final opportunity to the assessee of being heard. Needless to say, that the assessee should cooperate with the remand proceedings failing which the Ld. CIT(A) is at liberty to decide the case based on the material available on record. Accordingly, the ground No.3 raised by the assessee is allowed. The other grounds on merits are left open.

12. In the result, appeal filed by the assessee is partly allowed for statistical purposes.

Order pronounced in the open court on 26th November, 2025.

Sd/-

(रवीश सूद)

(RAVISH SOOD)

न्यायिक सदस्य/JUDICIAL MEMBER

Dated:26.11.2025

Giridhar, Sr.PS

Sd/-

(एस बालाकृष्णन)

(S. BALAKRISHNAN)

लेखा सदस्य/ACCOUNTANT MEMBER

आदेश की प्रतिलिपिअग्रेषित/ Copy of the order forwarded to:-

1. निर्धारिती/ The Assessee : **Mahalakshmi Sanagala**
11-181, Viswanadham Bazar
Vuyyuru mandalam
Vuyyuru – 521165
Andhra Pradesh
2. राजस्व/ The Revenue : **The Income Tax Officer -Ward (1)**
Gudiwada
Andhra Pradesh
3. The Principal Commissioner of Income Tax
4. विभागीयप्रतिनिधि, आयकरअपीलीयअधिकरण, विशाखापटणम /DR,ITAT, Visakhapatnam
5. The Commissioner of Income Tax
6. गार्डफ़ाईल / Guard file

आदेशानुसार / BY ORDER

Sr. Private Secretary
ITAT, Visakhapatnam