

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

श्री रवीश सूद, माननीय न्यायिक सदस्य एवं श्री एस बालाकृष्णन, माननीय लेखा सदस्य

**SHRI RAVISH SOOD, HON'BLE JUDICIAL MEMBER  
AND  
SHRI S BALAKRISHNAN HON'BLE ACCOUNTANT MEMBER**

आयकर अपील सं./I.T.A. No.606/Viz/2025  
(निर्धारणवर्ष/ **Assessment Year: 2015-16**)

Mandala Sriramachandra Murthy Hyderabad PAN: AYMPM8064A	Vs.	Income Tax Officer Ward-2(1) Vijayawada
<b>(अपीलार्थी/ Appellant)</b>		<b>(प्रत्यर्थी/ Respondent)</b>

करदाता का प्रतिनिधित्व/ Assessee Represented by	:	Shri GVN Hari, Advocate
राजस्व का प्रतिनिधित्व/ Department Represented by	:	Dr.Aparna Villuri, Sr.AR
सुनवाई समाप्त होने की तिथि/ Date of Conclusion of Hearing	:	03/12/2025
घोषणा की तारीख/ Date of Pronouncement	:	05/12/2025

**ORDER**

**PER S BALAKRISHNAN, AM:**

This appeal by the assessee is directed against the order of the Commissioner of Income Tax (Appeals) ["Ld.CIT(A)"], National Faceless Appeal Centre ("NFAC"), Delhi in DIN & Order No. ITBA/NFAC/S/250/2025-26/1079241167(1) dated 04.08.2025 arising out of the order passed u/s.147 read with section 144 of the Income Tax Act, 1961 (in short "the Act"), dated 27.03.2024 for the AY 2015-16.

2. Briefly stated, the facts of the case are that, based on receipt of specific information which was flagged as per Risk Management Strategy formulated by the CBDT through Insight Portal under NMS cases, it was noticed that the assessee has carried out the following financial transactions during the impugned assessment year, but did not file the return of income.

S.No.	Description	Source	Amount (in Rs.)
1.	Deposits of cash above Rs.2,00,000	Andhra Bank	17,00,000
2.	Deposits of cash above Rs.2,00,000	Andhra Bank	20,10,400
3.	Deposits of cash above Rs.2,00,000	Andhra Bank	19,00,000
		TOTAL	56,10,400

Therefore, the Ld.AO considered that the income has escaped assessment and issued show cause notice u/s 148A(b) to the assessee. As he did not respond to the show cause notice, order u/s 148A(d) was passed and thereafter the Ld.AO issued notice u/s 148 dated 13.04.2022. The Ld.AO issued notice u/s 142(1) on 16.10.2023 and on 09.02.2024 for which, there was no response from the assessee. Thereafter, the AO issued show cause notice dated 16.03.2024, proposing to frame the assessment u/s 144 of the Act. Further, the Ld.AO also issued notice u/s 133(6) of the Act to the Union Bank of India on 03.11.2023, calling for the details of bank account, time deposits held by the assessee. The Ld.AO based on the material

available on record proceeded to frame the assessment u/s 144 of the Act and added an amount of Rs.56,10,400/- as unexplained money u/s 69A of the Act.

3. Aggrieved by the order of the Ld.AO, the assessee carried the matter in appeal before the CIT(A). There was a delay of 120 days in filing the appeal before the Ld.CIT(A). The assessee filed a petition for condonation of delay in Form No.35. The Ld.CIT(A) observed that there is no sufficient cause and therefore, dismissed the appeal of the assessee.

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

*1. The order of the learned Commissioner of Income Tax (Appeals) is contrary to the facts and also the law applicable to the facts of the case.*

*2. The learned Commissioner of Income Tax (Appeals) is not justified in dismissing the appeal in limine by refuting to condone the delay of 131 days in filing the appeal.*

*3. The learned Commissioner of Income Tax (Appeals) erred in stating the delay as 131 days against the delay of 120 days mentioned in Form No.35.*

*4. Any other ground that may be urged at the time of appeal hearing.*

5. The only issue arising out of the grounds is with respect to not condoning the delay by the Ld.CIT(A). The Ld.AR submitted that

notices were sent through e-mail, but the recipient ID was left blank and hence, the assessee has not received the mail issued by the department. Therefore, the assessee could not participate in the proceedings before the Ld.AO. Subsequently, on obtaining the knowledge of the assessment order, the assessee filed an appeal before the Ld.CIT(A) with the delay of 120 days, but the Ld.CIT(A) has wrongly mentioned as 131 days. Further on merits, the Ld.AR submitted that the assessee has made deposits of Rs.19,59,000/- in his savings bank account and not Rs.56,10,000/- as computed by the AO. He, therefore, pleaded that one more opportunity may be granted to the assessee to substantiate the cash deposits before the Ld.CIT(A).

6. Per contra, the Ld.DR strongly relied on the orders of the revenue authorities.

7. We have heard both the parties, perused the material available on record and the orders of the Authorities below. Admittedly, on perusal of the paper book page No.2 as demonstrated by the Ld.AR, e-mail sent to the assessee was without the recipient ID and hence, the delivery of the same could not have happened. There is merit in the argument of the Ld.AR that since the assessee not being an income tax assessee, he is not aware of the notices and hence not participated in the assessment proceedings. Further, the assessee was also not aware

of the assessment order passed by the Ld.AO and hence after coming to know about the existence of the assessment order, the assessee filed appeal before the Ld.CIT(A) with the delay of 120 days. The Ld.AR, therefore, pleaded that the issue may be remitted back to the file of the Ld.CIT(A) and the assessee may be provided one more opportunity to substantiate the cash deposits in his bank account. We are therefore, of the considered view that the assessee may be provided one more final opportunity to represent the case before the Ld.CIT(A) by providing sufficient evidences before the Ld.CIT(A) to substantiate cash deposits as the notices sent were not delivered to the assessee, since it was sent without recipient's e-mail ID. We also direct the assessee to cooperate in the remand proceedings without seeking any unnecessary adjournment, failing which, the Ld.CIT(A) is at liberty to decide the case on merits based on the material available on record. Accordingly, the grounds raised by the assessee are allowed for statistical purpose.

8. In the result, appeal filed by the assessee is allowed for statistical purpose.

Order pronounced in the open court on 05<sup>th</sup> December, 2025.

<b>Sd/-</b> <b>(रवीश सूद)</b> <b>(RAVISH SOOD)</b> <b>न्यायिक सदस्य/JUDICIAL MEMBER</b>	<b>Sd/-</b> <b>(एस बालाकृष्णन)</b> <b>(S BALAKRISHNAN)</b> <b>लेखा सदस्य/ACCOUNTANT MEMBER</b>
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Visakhapatnam,  
Dated 05.12.2025.  
L.Rama/SPS

आदेश की प्रतिलिपि अग्रेषित/ **Copy of the order forwarded to:-**

1.	निर्धारिती/The Assessee	:	Mandala Sriramachandra Murthy, Flat No.401, Plot No.784 & 785, Sri Sai Saudha Apartments, Matrusree Nagar, Miyapur, Hyderabad
2.	राजस्व/ Revenue	The :	The Income Tax Officer, Ward-2(1), Income Tax Office, CR Buildings, 1 <sup>st</sup> Floor, Annex, MG Road, Vijayawada
3.	The Principal Commissioner of Income Tax, Visakhapatnam		
4.	विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण / DR,ITAT, Visakhapatnam.		
5.	The Commissioner of Income Tax		
6.	गार्डफ़ाईल / Guard file		

आदेशानुसार / BY ORDER

Sr. Private Secretary  
ITAT, Visakhapatnam.