

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

BEFORE SHRI PRASHANT MAHARISHI, VICE PRESIDENT
AND
SHRI KESHAV DUBEY, JUDICIAL MEMBER

SA No.9/Bang/2026 [in ITA No.1485/Bang/2024] Assessment year : 2020-21

Cloud Software Group India Private Ltd., No.33, Prestige Dynasty, Ulsoor Road, Bangalore – 560 042. PAN : AABCN 3639C	Vs.	The Deputy Commissioner of Income Tax, Circle 2(2)(1), Bengaluru.
APPLICANT		RESPONDENT

Applicant by	:	Ms. Manasa Ananthan, Advocate
Respondent by	:	Shri N. Balusamy, Jt.CIT(DR)(ITAT), Bengaluru.

Date of hearing	:	06.02.2026
Date of Pronouncement	:	06.02.2026

ORDER

Per Prashant Maharishi, Vice President

1. This Stay Application is filed by Cloud Software Group India Private Ltd (the assessee/applicant) for the assessment year 2020-21 seeking extension of stay granted in the impugned appeal in SA No.61/Bang/2025 dated 01.08.2025 wherein the Coordinate Bench has

directed the AO to keep the recovery of outstanding demand of Rs.17,71,56,911 in abeyance where the assessee has already deposited a sum of Rs.4.50 crores and further the Coordinate Bench held that the balance of convenience lies in favour of the assessee, ground of limitation is also in favour of the assessee.

2. The Id. AR, Ms. Manasa Ananthan, Advocate submits that the facts are already on record in para 15 to 19 of the order granting stay originally. There is no change in the facts and circumstances of the case. The delay in disposal is also not in view of the assessee or on account of the Revenue, but on account of non-functioning of the Bench on the appointed dates, therefore assessee may be granted extension of stay.
3. The Id. DR, Shri N. Balusamy, JCIT also submitted that the delay in disposal of appeal on merits is not on account of the Revenue also, but as on the appointed dates the Benches did not function.
4. We have carefully considered the rival contentions and perused the earlier stay order dated 1.8.2025. The main reason of granting of stay is that (i) on the ground of limitation, (ii) the issue is covered in favour of the assessee by the decision of Hon'ble Madras High Court and (iii) on the merits of the case, the balance of convenience lies in favour of the assessee, (iv) Further the Bench noted that out of demand of Rs.22,21,56,910 as per notice of demand, the assessee has already deposited a sum of Rs.4.50 crores on 25.7.2021 which is more than 20% of the outstanding demand and (v) Revenue is not arguing the case where the issue is covered by the decision of the Hon'ble Madras

High Court. Same situation also continues in view of the recent instruction to seek the adjournment to the Revenue Officers. The appeal of the assessee is also fixed for hearing on 24.2.2026. Delay in disposal of appeal is not on account of assessee. No violation of conditions imposed in earlier stay order pointed out.

5. In view of the above facts, we direct the ld. AO to keep the recovery of outstanding demand of Rs.17,71,56,911 in abeyance till the disposal of the appeal or 180 days from the date of this order, whichever is earlier on the same terms and conditions as mentioned in para 19 of the stay order dated 01.08.2025.
6. The request for extension of stay of the assessee is allowed.

Pronounced in the open court on this 06th day of February, 2026.

Sd/-

(KESHAV DUBEY)
JUDICIAL MEMBER

Bangalore,
Dated, the 06th February, 2026.

/Desai S Murthy /

Sd/-

(PRASHANT MAHARISHI)
VICE PRESIDENT

Copy to:

1. Applicant
2. Respondent
3. Pr. CIT
4. CIT(A)
5. DR, ITAT, Bangalore.

By order

Assistant Registrar
ITAT, Bangalore.