

आयकर अपीलीय अधिकरण, विशाखापटणम पीठ, विशाखापटणम

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

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

&

SHRI OMKARESHWAR CHIDARA, HON'BLE ACCOUNTANT MEMBER

**आयकर अपीलसं./I.T.A.No.533/VIZ/2025
(निर्धारण वर्ष/ Assessment Year:2015-16)**

Sri Gudibandi Somi Reddy Educational Society D.No. 5-76, Kollipara Guntur – 522304 Andhra Pradesh [PAN: AAGTS4541J]	Vs.	Income Tax Officer Exemption Ward Income Tax Office Lakshmipuram Main Road Guntur – 522006 Andhra Pradesh
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करदाता का प्रतिनिधित्व/ Assessee Represented by	:	Shri G.V.N. Hari, Advocate
राजस्व का प्रतिनिधित्व/ Department Represented by	:	Sri K. Prasad, Sr.DR
सुनवाई समाप्त होने की तिथि/ Date of Conclusion of Hearing	:	09.02.2026
घोषणा की तारीख/Date of Pronouncement	:	18.02.2026

आदेश /O R D E R

PER RAVISH SOOD, JM:

The present appeal filed by the assessee society is directed against the order passed by the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi, dated 28.06.2024, which in turn arises from the order passed by

the Assessing Officer (for short, “A.O”) under section 143(3) of the Income-Tax Act, 1961 (for short, “the Act”), dated 13.12.2017 for the Assessment Year 2015-

16. The assessee society has assailed the impugned order on the following grounds of appeal before us:

“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 order of the learned Commissioner of Income Tax (Appeals) is invalid and in contravention of the Principles of Natural Justice as the hearing notices were not sent to the email address given by the appellant in Form 35.

3. Without prejudice to the above, the learned Commissioner of Income Tax (Appeals) ought to have deleted the addition of the total amount Rs.1,33,26,935 made by the assessing officer which comprised the following:

- i) Rs.35,76,000 towards unexplained cash receipts.
- ii) Rs.81,88,935 towards unexplained credits in bank account bearing no.070010100281157 held with Axis bank which does not belong to the appellant.
- iii) Addition of Rs.15,62,000 towards unexplained cash withdrawals.

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

2. Succinctly stated, the assessee-society which is running educational institutions and is registered under section 12A of the Act vide Certificate No. H.Qrs. No.I(19)/GNT/01-02, dated 31.12.2001 issued by the Commissioner of Income-tax, Guntur, had filed its return of income for the A.Y. 2015-16 on 06.12.2015, declaring an income of Rs. NIL. The return of income filed by the assessee-society was initially processed as such under section 143(1) of the Act.

Subsequently, the case of the assessee-society was selected for scrutiny assessment under CASS to verify the large profits or gains of the business or profession of the assessee society. Thereafter, the AO vide his order dated 143(3) of the Act, dated 13.12.2017, after taking cognisance of certain discrepancies, determined the income of the assessee society at Rs. 1,36,54,818/-.

3. Aggrieved, the assessee-society assailed the assessment order before the CIT(A) but without success.

4. The assessee-society, aggrieved with the order of the CIT(A) has carried the matter in appeal before us.

5. We have heard the learned authorised representatives of both parties, perused the orders of the authorities below and the material available on record.

6. Shri G.V.N. Hari, Advocate, Learned Authorised Representative (for short “Ld.AR”) for the assessee-society, at the threshold of hearing of the appeal, submitted that the same involves a delay of 391 days. Elaborating on the reasons leading to the delay, the Ld.AR submitted that the solitary reason for the same was that though the assessee-society in its memorandum of appeal i.e., “Form – 35” has specifically mentioned its e-mail address viz., kssguntur@gmail.com for service of notices/communications, but neither of the notices intimating the fixation of the appeal or the order passed by the CIT(A) disposing of the appeal,

dated 28.06.2024 was dropped in the said e-mail account. The Ld. AR to fortify his contention had drawn our attention to the CIT(A) order wherein it was specifically stated that all the notices intimating the fixation of the appeal were dropped in the e-mail account of the assessee-society as was gathered from its ITBA portal i.e., sandsca2005@gmail.com, sgsrjc.svdc@yahoo.com and sandsca2010@gmail.com. The Ld.AR submitted that the assessee had at no stage either in its “Form-35” or in the course of hearing of the appeal ever provided the aforesaid e-mail accounts for service of notices/communication from the office of the CIT(A). The Ld.AR further submitted that as the assessee-society in the course of hearing of the appeal was never put to notice about the respective dates on which the same was fixed for hearing before the CIT(A), therefore, it had remained divested of any opportunity to participate in the proceedings and prosecute its appeal before the first appellate authority.

7. Carrying his contention further, the Ld.AR submitted that as the delay in filing of the present appeal had crept in for the standalone reason that the order of the CIT(A) dated 28.06.2024 disposing of the appeal of the assessee-society was never validly served upon the assessee-society and, it had learnt about the same only when it had received a call from the Income Tax Officer on 28.08.2025 regarding the outstanding demand in its case. The Ld. AR submitted that the assessee-society involving no further loss of time had after learning about the dismissal of its appeal by the CIT(A) had filed the same before the Tribunal on

02.09.2025. The Ld. AR submitted that as the delay in filing the present appeal was for the abovementioned reasons, which could not be attributed to the assessee-society, but was for the failure on the part of the CIT(A) to validly serve the order disposing of the appeal, therefore, in all fairness and in the interest of justice, the same be condoned.

8. Per contra, Sri K. Prasad, Learned Senior Departmental Representative (for short, “Ld. DR”) objected to the seeking of the condonation of the delay involved in filing the present appeal. The Ld. DR submitted that as the delay in filing of the appeal is inordinate, therefore, the same in the absence of any justifiable reason explaining the same does not merit condonation.

9. We have given thoughtful consideration to the contentions advanced by the Learned Authorised Representatives of both parties in the backdrop of the material available on record regarding the reasons leading to the delay in filing the present appeal.

10. Admittedly, it is a matter of fact discernible from the record that neither of the notices intimating the fixation of the hearing of the appeal were dropped in the e-mail account that was provided by the assessee-society in its “Form-35” i.e., kssguntur@gmail.com, but the same were rather forwarded/dropped in the e-mail account that was gathered from the ITBA portal i.e, sandsca2005@gmail.com, sgsrjc.svdc@yahoo.com and sandsca2010@gmail.com. In our view, there is

substance in the Ld. AR's contention that as the assessee-society was not validly served with the CIT(A) order dated 28.06.2024 i.e., a fact which can safely be gathered on a perusal of the CIT(A) order wherein he had specifically stated that the notices intimating the fixation of hearing of appeal were dropped in certain stray e-mail accounts i.e., sandsca2005@gmail.com, sgsrjc.svdc@yahoo.com and sandsca2010@gmail.com and not in the e-mail account that was provided by the assessee-society in its "Form 35", therefore, the assessee-society has justifiable reasons of having remained oblivious of the dismissal of its appeal by the CIT(A) vide his order dated 28.06.2024. Also, we find no reason to doubt the assessee's claim that it had learnt about the dismissal of its appeal only when it had received a call from the Income Tax Officer on 25.08.2025 regarding the outstanding demand in its case. In our view, as the assessee-society, after learning about the dismissal of its appeal, had, without involving any further loss of time, filed the present appeal before us on 02.09.2025, therefore, considering the aforesaid set of circumstances leading to the impugned delay in filing of the present appeal, the same merits to be condoned.

11. Coming to the merits of the case, we find that the CIT(A) had dismissed the appeal of the assessee-society primarily for the reason that it had failed to participate in the course of the proceedings before him. At this stage, it would also be relevant to point out that though the CIT(A) in his order had referred to "remand report" dated 24.07.2019 that was received from the A.O, but it has been

brought to our notice that the reply/rejoinder to the said “remand report” that was filed by the assessee society in the course of hearing of the appeal in physical form on 07.02.2020, Page No. 105 to 111 had not been considered by him. In our view, the aforesaid failure of the CIT(A) to consider the rejoinder to the “remand report” filed by the assessee society appears to have inadvertently crept in on account of the transformation of the physical regime of hearing of appeal to the faceless regime.

12. Be that as it may, we are of the view that as the failure on the part of the assessee society to participate in the appellate proceedings on the respective dates on which the same was posted for hearing, i.e., on 31.01.2020, 08.01.2021, 27.05.2024, 04.06.2024 and 27.06.2024, had occasioned not due to any lackadaisical approach on its part but for the reason that the CIT(A) office had forwarded the said respective notices on an e-mail account other than that provided by the assessee-society in its memorandum of appeal i.e., “Form 35”. Apart from that, we find that even otherwise, the CIT(A) order suffers from a serious infirmity, wherein he had inadvertently erred in not considering the rejoinder/counter comments of the assessee society to the “remand report” of the AO, filed before him in the course of the physical hearing of the appeal.

13. In our view, considering the totality of the facts involved in the present case, the matter in all fairness requires to be set-aside to the file of the CIT(A),

who is directed to re-adjudicate the appeal after considering the rejoinder/counter comments filed by the assessee, dated 07.02.2020. Needless to say, the CIT(A) shall, in the course of the set-aside proceedings, afford a reasonable opportunity of being heard to the assessee-society.

14. Resultantly, the appeal filed by the assessee-society is allowed for statistical purposes in terms of our aforesaid observations.

Order pronounced in the open court on 18th February, 2026.

(**ओंकरेश्वर चिदारा**)
(**OMKARESHWAR CHIDARA**)
लेखा सदस्य /ACCOUNTANT MEMBER

Dated: 18.02.2026

*Giridhar, Sr.PS

Sd/-
(**रवीश सूद**)
(**RAVISH SOOD**)
न्यायिक सदस्य/JUDICIAL MEMBER

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

1. निर्धारिती/ The Assessee : **Sri Gudibandi Somi Reddy Educational Society**
D.No. 5-76, Kollipara, Guntur – 522304
Andhra Pradesh
2. राजस्व/ The Revenue : **Income Tax Officer Exemption Ward**
Income Tax Office, Lakshmipuram Main Road, Guntur – 522006
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