

IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE BENCH "SMC", PUNE

BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA No.479/PUN/2023  
निर्धारण वर्ष / Assessment Year : 2019-20

Ask Chemicals India Private Limited, 305-311, 3 <sup>rd</sup> Floor, Century Arcade, Narangibaug Road, Pune- 411001. PAN : AACCA0713D	Vs.	DCIT, Circle-1(1), Pune.
Appellant		Respondent

Assessee by : Shri Kishor Phadke  
Revenue by : Shri Rajesh Gawali

Date of hearing : 20.06.2023  
Date of pronouncement : 10.07.2023

**आदेश / ORDER**

**PER INTURI RAMA RAO, AM:**

This is an appeal filed by the assessee directed against the order of the National Faceless Appeal Centre, Delhi ['NFAC'] dated 24.02.2023 for the assessment year 2019-20.

2. Briefly, the facts of the case are that the appellant had filed Return of Income for the assessment year 2019-20 on 29.11.2019.

Against the said return of income, an intimation u/s 143(1) of the Income Tax Act, 1961 ('the Act') was received by the appellant. The intimation dated 01.05.2020, wherein, the prima-facie adjustment of gratuity payment of Rs.6,36,570/- and ESI amount of Rs.3,056/- was disallowed. Against the said intimation, an appeal was filed before the NFAC, who vide impugned order dismissed the appeal *in limine* for non-prosecution without going into the merits of the adjustments.

3. Being aggrieved, the appellant is in appeal before this Tribunal in the present case.

4. I heard the rival submissions and perused the material on record. On perusal of the impugned order, it would be clear that the NFAC had dismissed the appeal *in limine* for non-prosecution. Now, the law is settled to the extent that the Commissioner of Income Tax (Appeals) is bound to dispose of the appeal on merits even in the case of *ex-parte* orders. The settled positions of law mandates the Commissioner of Income Tax (Appeals) to dispose of the appeal by adjudicating the issue raised in appeal on merits. In the circumstances, I am of the considered opinion that the NFAC

should go into to the merits of the issue in appeal and dispose the appeal. Since the NFAC had not disposed of the matter on merits, I remand the matter to the file of the NFAC for fresh adjudication on merits based on the material available on record.

5. In the result, the appeal filed by the assessee stands partly allowed.

Order pronounced on this 10<sup>th</sup> day of July, 2023.

Sd/-  
(INTURI RAMA RAO)  
ACCOUNTANT MEMBER

पुणे / Pune; दिनांक / Dated : 10<sup>th</sup> July, 2023.

*Sujeet*

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

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "SMC" बेंच, पुणे / DR, ITAT, "SMC" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Senior Private Secretary  
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune.