

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

BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER  
AND  
Ms. ASTHA CHANDRA, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.784/PUN/2024

निर्धारण वर्ष Assessment Year : 2017-18

Mohammed Mazharuddin Mohd. Raizuddin, H.No.12, B-6, SBH Colony, Himayatbagh, Aurangabad – 431 001 Maharashtra PAN : AGVPM9257A	Vs.	ITO, Ward-1(7), Aurangabad
Appellant		Respondent

Assessee by : Shri Hari Krishan  
Revenue by : Shri Shashank Deogadkar  
Date of hearing : 06.06.2024  
Date of pronouncement : 06.06.2024

**आदेश / ORDER**

**PER INTURI RAMA RAO, AM:**

This is an appeal filed by the assessee directed against the order of National Faceless Appeal Centre (NFAC), Delhi dated 15.02.2024 for the assessment year 2017-18.

2. Briefly, the facts of the case are that the appellant is an employee of State Bank of India. The Return of Income for the A.Y. 2017-18 was filed on 19.12.2017 declaring total income of Rs.7,93,150/-. The case was selected for Limited Scrutiny under CASS. The assessee was called upon to file certain information by issuing notice(s) u/s.143(2)/u/s.142(1). In response to the notices, the assessee filed copy of ITR

along with computation of income, bank account statement etc. On verification of the information so furnished by the assessee, the Assessing Officer (AO) noticed that the assessee made cash deposits of Rs.20,03,936/- in the two bank accounts maintained with State Bank of India, during demonetization period. Show cause notice dated 26.12.2019 was issued to the assessee calling upon the appellant to explain the sources for the cash deposits made. The assessee had not submitted any explanation/evidence to substantiate the source of cash deposits. In the circumstances, the AO vide order dated 27.12.2019 passed u/s.143(3) after making addition of Rs.20,03,936/- treating the same as unexplained money u/s.69A of the Act.

3. Being aggrieved, an appeal was filed before the CIT(A) who vide impugned order dismissed the appeal *in limine* for non-prosecution.

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

5. We heard both the sides and perused the relevant material on record. We find the Id. CIT(A) without discussing anything on merits of the addition made on account of cash deposits, simply dismissed the appeal *in limine*, which is contrary to settled position of law, as contemplated u/s.250(6) of the Act. It is a trite law that the CIT(A) should have dealt with the merits of the issue in appeal, even in the case of an *ex-parte* order. In this regard, reference is being made to a decision of the Hon'ble Bombay High Court in the case of *Pr.CIT(Central) Vs. Premkumar Arjundas Luthra (HUF) Bombay*/[2017] 297 CTR 614 (Bombay) wherein it was held that CIT(A) is not empowered to dismiss the appeal for non-prosecution. In the light of this discussion, we deem it appropriate to remit the matter to

the file of CIT(A) for *de novo* disposal of the issue in accordance with law. Ordered accordingly.

6. In the result, the appeal filed by the assessee stands partly allowed for statistical purpose.

Order pronounced on this 06<sup>th</sup> day of June, 2024.

**Sd/-**  
**(ASTHA CHANDRA)**  
**JUDICIAL MEMBER**

**Sd/-**  
**(INTURI RAMA RAO)**  
**ACCOUNTANT MEMBER**

पुणे / Pune; दिनांक / Dated : 06<sup>th</sup> June, 2024  
*Satish*

**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