

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

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER  
AND  
SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA No.612/PUN/2024

निर्धारण वर्ष /Assessment Year : 2016-17

Mindspace Ventures Limited, Plot No.4, Jay Nagar, Dashmeshnagar, Aurangabad 431 005 Maharashtra PAN : AAGCM3686H	Vs.	ITO, Ward-1(1), Aurangabad
Appellant		Respondent

Assessee by : Adjournment application rejected  
Revenue by : Shri Sandeep P. Sathe

Date of hearing : 25.06.2024  
Date of pronouncement : 25.06.2024

**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 15.01.2024 for the assessment year 2016-17.

2. Briefly, the facts of the case are that the appellant is a company which did not file any Return of Income for the A.Y. 2016-17 under the provisions of section 139(1) of the Act. On verification of the information available with the Department, the Assessing Officer (AO) noticed that the assessee made huge transactions through SBI credit cards and paid credit card bills of

Rs.2,16,36,994/- and also received interest from bank of Rs.2,09,295/-. The case was reopened by way of issue of notice u/s.148 after recording the reasons. The assessee neither responded to notice u/s.148 nor u/s.142(1) of the Act. In the circumstances, the AO vide order dated 29.05.2023 was constrained to complete the assessment u/s.144 r.w.s147 of the Act, bringing to tax the unexplained expenditure as well as the interest income aggregating to Rs.2,18,46,289/-.

3. Being aggrieved by the above assessment order, the assessee preferred appeal before the CIT(A)/NFAC who vide impugned order dated 15.01.2024 dismissed the appeal *in limine* for non-prosecution.

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

5. We have carefully perused the relevant material on record. It is an admitted fact that the Assessing Officer completed the assessment u/s.144 r.w.s.147 of the Act. We find the Id. CIT(A)/NFAC also without discussing anything on merits of the controversy of the additions made on account of unexplained expenditure as well as interest income, simply dismissed the appeal *in limine*, which is contrary to settled position of law. It is a trite law that the CIT(A) should have dealt with the merits of the issues 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 obliged to dispose of the appeal on merits.

Therefore, in the interest of justice, we deem it appropriate to remit the matter to the file of CIT(A)/NFAC for *de novo* disposal of the issues in accordance with law. We order accordingly.

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

Order pronounced on this 25<sup>th</sup> day of June, 2024.

**Sd/-**  
**(SATBEER SINGH GODARA)**  
**JUDICIAL MEMBER**

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

पुणे / Pune; दिनांक / Dated : 25<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, “A” बेंच,  
पुणे / DR, ITAT, A” Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

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