

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

BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA No.1671/PUN/2024

निर्धारण वर्ष / Assessment Year : 2013-14

Mohammad Saeed Shaikh Gani Khatik, Bagwan Galli, At Post Nandurbar, Tal. Nandurbar – 425 412 Maharashtra PAN : CBNPK5801K	Vs.	ITO, Ward-1, Nandurbar
Appellant		Respondent

Assessee by : Smt. Deepa Khare  
Revenue by : Shri B.S.Rajpurohit

Date of hearing : 07.10.2024  
Date of pronouncement : 09.10.2024

**आदेश / ORDER**

**PER INTURI RAMA RAO, AM:**

This is an appeal filed by the appellant directed against the order of National Faceless Appeal Centre (NFAC), Delhi dated 22.06.2024 for the assessment year 2013-14.

2. Brief facts of the case are that the appellant is an individual, no regular return of income under the provisions of section 139(1) of the Income-tax Act, 1961 (hereinafter referred to as 'the Act') was filed for the A.Y. 2013-14. On receipt of the information that the appellant had made cash deposits of Rs.27,11,000/- in his Saving Account maintained with State Bank of India during the previous year relevant to the assessment year 2013-14, a notice u/s.148 of the Act was issued on 10.05.2018. The appellant had not complied with the said notice nor notices issued u/s.142(1). In the circumstances, the assessment was

completed by the Assessing Officer (AO) vide order dated 24.12.2018 passed u/s.144 r.w.s.147 of the Act at a total income of Rs.27,11,000/- after making addition of cash deposits of Rs.27,11,000/- u/s.69A of the Act.

3. Being aggrieved by the above assessment order, an appeal was filed before the NFAC, who vide impugned order dismissed the appeal of the appellant for non-prosecution.

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

5. I heard the rival submissions and perused the material on record. From the perusal of the impugned order, it is not clear that the NFAC had issued the notice of hearing and also there is no proof of service of notice of hearing. In the circumstances, it can be presumed that the NFAC had passed the impugned order without giving a reasonable opportunity of being heard to the appellant to represent the matter before him and this approach of the NFAC is in gross violation of principles of natural justice. The NFAC had fell in serious error by not adjudicating the issue in appeal on merits. The settled position of law mandates the NFAC to dispose of the appeal by adjudicating the issue raised in appeal on merits. 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, I deem it proper to remit the matter to the file of CIT(A)/NFAC for *de novo* disposal of the issue in appeal on merits afresh after allowing reasonable opportunity to the appellant, in accordance with law. I order accordingly.

6. In the result, the appeal filed by the appellant stands partly allowed for statistical purposes.

Order pronounced on this 09<sup>th</sup> day of October, 2024.

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

पुणे / Pune; दिनांक / Dated : 09<sup>th</sup> October, 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.