

**IN THE INCOME TAX APPELLATE TRIBUNAL
COCHIN BENCH**

BEFORE SHRI INTURI RAMA RAO, AM

**ITA No. 624/Coch/2024
Assessment Year: 2017-18**

James Mathew
Choorapoikayil, Koorali P.O.
Elamgulam, Kottayam 686522
[PAN: CJAPM8714J]

..... Appellant

Vs.

The Income Tax Officer
Ward – 2, Kottayam

..... Respondent

Appellant by: ----- None -----
Respondent by: Smt. Leena Lal, Sr. D.R.

Date of Hearing: 11.12.2024
Date of Pronouncement: 11.12.2024

ORDER

This appeal filed by the assessee is directed against the order of the National Faceless Appeal Centre, Delhi [CIT(A)] dated 31.03.2024 for Assessment Year (AY) 2017-18.

2. Brief facts of the case are that the assessee, an individual, did not file his return of income for AY 2017-18 under the provisions of section 139 of the Income Tax Act, 1961 (the Act). Based on the information that the appellant made cash deposit of Rs. 15,15,000/- in Specified Bank Notes (SBNs) during demonetisation period, notice u/s. 142 of the Act was issued to calling upon the appellant to file the return of income, which remained uncomplied with.

Therefore, the Income Tax Officer, Ward -2, Kottayam (AO) finalised the assessment vide order dated 31.12.2019 passed u/s. 144 of the Act at a total income of Rs. 15,28,120/- by making additions of Rs. 15,15,000/- on account unexplained cash deposits made during the demonetisation period and Rs. 13,120/-, the income declared in the return filed belatedly, which is treated as invalid.

3. Being aggrieved, an appeal was filed before the CIT(A), who vide the impugned order dismissed the appeal *exparte* for non prosecution placing on the decision.

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

5. I have heard the rival contentions of both the parties and perused the material available on record. I find that the learned CIT(A) dismissed the appeal *in limine* for non prosecution. It is the settled position of law that the CIT(A), even while disposing of the appeal *exparte*, is duty bound to dispose of the appeal on merits. Reliance in this regard can be placed on the decision of the Hon'ble Bombay High Court in the case of PCIT vs. Premkumar Arjundas Luthra 279 CTR 614. Therefore, in the light of the above legal position I am of the considered view that the matter requires to be remanded to the file of the CIT(A) with the direction to dispose of the appeal *de novo* on merits after affording reasonable opportunity of hearing to the assessee.

6. In the result, the appeal filed by the assessee is allowed for statistical purposes

Order pronounced in the open court on 11th December, 2024

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Cochin, Dated: 11th December, 2024

n.p.

Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

Assistant Registrar
ITAT, Cochin