

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

**BEFORE SHRI INTURI RAMA RAO, AM
AND SHRI PRAKASH CHAND YADAV, JM**

**ITA No. 465/Coch/2024
Assessment Year: 2020-21**

Medical College Employees Credit
Co-Operative Society Ltd.
Medical College P.O.
Thiruvananthapuram 695011
[PAN: AAFAM2291P]

..... Appellant

Vs.

Income Tax Officer
Ward - 2(1), Thiruvananthapuram

..... Respondent

Appellant by: Shri R. Krishnan, CA
Respondent by: Smt. Leena Lal, Sr. D.R.

Date of Hearing: 10.12.2024
Date of Pronouncement: 30.12.2024

ORDER

Per: Inturi Rama Rao, AM

This appeal filed by the assessee is directed against the order of the National Faceless Appeal Centre, Delhi [CIT(A)] dated 27.03.2024 for Assessment Year (AY) 2020-21.

2. Brief facts of the case are that the appellant society filed its return of income on 30.03.2021 declaring total income of Rs. 2,53,060/-. Against the said return of income assessment was completed by the Income Tax Officer, Ward - 2(1), Thiruvananthapuram (hereinafter "the AO") vide

order dated 17.09.2022 passed u/s. 144 r.w.s. 144B of the Income Tax Act, 1961 (the Act) at Rs.,4,02,22,440/- by making the following additions: -

- i. Income under the head profits and gains from business or procession - Rs. 28,62,283/0
- ii. Disallowance u/s. 68 of the Act -Rs. 3,73,60,161/-

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 judgement of the Hon'ble Supreme Court in the case of CIT vs. B.N. Bhattachargee & Another 118 ITR 461.

4. Being aggrieved, the assessee is in appeal before the Tribunal in the present appeal. The learned A.R. has filed a letter seeking adjournment on the ground the senior partner of the CA firm is out of country. The request for adjournment is declined, as the matter can be disposed of without entering into the merits, as the CIT(A) has disposed of the appeal without entering into the merits of the case.

5. 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 30th December, 2024

Sd/-
(PRAKASH CHAND YADAV)
JUDICIAL MEMBER

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Cochin, Dated: 30th 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

By Order

Assistant Registrar
ITAT, Cochin