

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

**BEFORE SHRI INTURI RAMA RAO, AM
AND SHRI SOUNDARARAJAN K., JM**

**ITA No. 725/Coch/2024
Assessment Year: 2017-18**

Feroke Service Co-op. Bank Ltd. Appellant
1, Cheruvannur, Feroke, Kozhikoe 673631
[PAN: AAAAF2402N]

vs.

The Income Tax Officer Respondent
Ward - 2(3), Kozhikode

Appellant by: Shri Rishal K., Advocate
Respondent by: Smt. Leena Lal, Sr. D.R.

Date of Hearing: 04.02.2025
Date of Pronouncement: 21.02.2025

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 27.06.2024 for Assessment Year (AY) 2017-18.

2. Brief facts of the case are that the appellant is a co-operative society registered under the Kerala State Co-operative Societies Act, 1969. The appellant filed return of income for AY 2017-18 on 13.11.2017 declaring Nil income after claiming deduction u/s. 80P of the Act. Against the said return of income, the assessment was

completed by the Income Tax Officer, Ward-2(3), Kozhikode (hereinafter called "the AO") vide order dated 23.12.2019 passed u/s. 143(3) of the Income Tax Act, 1961 (the Act) at a total income of Rs. 1,90,51,995/-. While doing so the AO made addition of Rs. 1,90,51,885/- disallowing the claim made by the assessee u/s. 80P of the Act.

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

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

5. We find that the learned CIT(A) dismissed the appeal *in limine* for non prosecution. As contemplated u/s. 250(6) of the Act the CIT(A) is required to frame points of determination followed by a detailed discussion thereupon before passing the order. 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 we are 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 21st February, 2025.

Sd/-
(SOUNDARARAJAN K.)
JUDICIAL MEMBER

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Cochin, Dated: 21st February, 2025

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