

**IN THE INCOME TAX APPELLATE TRIBUNAL  
“SMC” BENCH, COCHIN**

**Before Shri Inturi Rama Rao, Accountant Member**

ITA No.139/Coch/2025 : Asst.Year 2013-2014

Bhasuram Resorts Pvt. Ltd. Bhasuram Shopping Complex Poovar, Neyyattinkara Trivandrum – 695 525. <b>PAN : AACCB9955E.</b>	v.	The Assistant Commissioner of Income-tax, Cir.1(1) Trivandrum.
(Appellant)		(Respondent)

Appellant by : --- None ---  
Respondent by : Smt.Leena Lal, Senior AR

<b>Date of Hearing : 13.03.2025</b>	<b>Date of Pronouncement : 28.03.2025</b>
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**ORDER**

This appeal filed by the assessee is directed against the order of the National Faceless Assessment Centre / Commissioner of Income-tax (Appeals) [“CIT(A)” for short] dated 20.10.2024 for the assessment years 2013-2014.

2. The appellant is a private company incorporated under the provisions of Companies Act, 1956. It is engaged in the business of running a resort. The return of income for the assessment year 2013-2014 was filed on 15.10.2013 disclosing total loss of Rs.24,89,867. Against the said return of income, the assessment was completed by the Assessing Officer (“the AO” hereinafter) vide order dated 31.12.2018 passed u/s.143(3) of the Income-tax Act, 1961 (“the Act” hereinafter) accepting the returned loss. Subsequently, the PCIT, Trivandrum in

exercise of power vested u/s.263 of the Act, had set aside the assessment and directed to redo the same as per the directions given in para 3 of the assessment order. Consequent to the revisionary order passed u/s.263 of the Act, the AO completed the assessment vide order dated 31.12.2018 passed u/s.143(3) r.w.s. 263 of the Act at a total income of Rs.40,55,001. While doing so, the AO disallowed the expenditure of Rs.53,51,404 being the expenditure incurred in cash by the Managing Director of the assessee company, Sri.Sureshababu B for the alleged failure of the appellant-company to establish that these expenditures were incurred wholly and exclusively for the purpose of business. The AO also made an addition of Rs.11,93,464 as unexplained money of the assessee for failure of the assessee to explain the source of cash deposit of Rs.11,93,464.

3. Being aggrieved, an appeal was filed before the CIT(A), who vide the impugned order, confirmed the action of the AO.

4. Being aggrieved, the appellant is in appeal before the Tribunal in the present appeal. When the matter was called upon, none appeared on behalf of the assessee despite due service of notice. Therefore, I proceed to dispose of this appeal on merits after hearing the learned Senior DR.

5. On a careful perusal of the order passed by the CIT(A), it is noted that the CIT(A) while dealing with grounds of appeal, simply extracted the submissions made by the appellant and rejected the contentions raised by the appellant by merely holding that the appellant had failed to produce any documentary evidences in support of the contention. Further, the CIT(A) had also failed to discuss the grounds of appeal and

the statement of facts in its entirety. Thus, the order passed by the CIT(A) is erroneous and contrary to the principles of natural justice. Therefore, the order of the CIT(A) is hereby set aside the matter and remand the matter back to the file of the CIT(A) for de novo disposal of the appeal in accordance with law after affording a reasonable opportunity of being heard to the assessee.

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

Order pronounced on this 28<sup>th</sup> day of March, 2025.

**Sd/-**  
**(Inturi Rama Rao)**  
**ACCOUNTANT MEMBER**

Cochin; Dated : 28<sup>th</sup> March, 2025.  
Devadas G\*

Copy to :

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

Asst.Registrar/ITAT, Cochin