

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

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

ITA No.175/Coch/2025 : Asst.Year 2017-2018

Sri.Liju Jose Illathu Fuels Pala, Kottayam – 686 575. <b>PAN : AFXPJ6618K.</b>	v.	The Income Tax Officer Ward 5 Kottayam.
(Appellant)		(Respondent)

Appellant by : Sri.Prasanth Srinivas, CA  
Respondent by : Smt.Leena Lal, Senior AR

<b>Date of Hearing : 13.03.2025</b>	<b>Date of Pronouncement : 23.04.2025</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 24.12.2024 for the assessment years 2017-2018.

2. Brief facts of the case are that the appellant is the proprietor of a petrol pump in the name of M/s.Illathu Fuels. The return of income for the assessment year 2017-2018 was filed on 09.11.2017 declaring total income of Rs.11,57,910. Against the said return of income, the assessment was completed by the Income Tax Officer, Ward-5, Kottayam (hereinafter called the “AO”) u/s.143(3) of the Income-tax Act, 1961 (“the Act”) vide order dated 12.12.2019 at a total income of Rs.14,98,910. During the course of assessment proceedings, the AO

noticed that the appellant had made cash deposit in SBN of Rs.41,000, during demonetization period, AO made addition of the same treating it as unexplained investments u/s.69 of the Act. The AO also made an addition of Rs.3 lakh on account of lower net profit. Accordingly, the AO made a total addition of Rs.3,41,000 to the returned income.

3. Being aggrieved by the above assessment order, appellant filed an appeal before the CIT(A), who vide the impugned order, dismissed the appeal for non-prosecution.

4. Being aggrieved by the order the CIT(A), the appellant is in appeal before the Tribunal in the present appeal. The learned AR of the assessee submits that the CIT(A) is not justified in dismissing the appeal for want of prosecution.

5. The learned Sr.DR supported the orders of the authorities below.

6. I heard the rival submissions and perused the material available on record. I find that the 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 *ex parte*, 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 v. 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 a direction to dispose of the appeal *de novo* on merits after affording reasonable opportunity of being heard to the assessee.

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

Order pronounced on this 23<sup>rd</sup> day of April, 2025.

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

Cochin; Dated : 23<sup>rd</sup> April, 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