

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

**BEFORE SHRI INTURI RAMA RAO, AM
AND SHRI RAHUL CHAUDHARY, JM**

**ITA Nos. 525 & 534/Coch/2025
Assessment Year: 2017-18**

Kamaludheen Fathima Appellant
Nalakathu Parambil, Pavaratty
Maruthayood P.O., Guruvayoor 680101
[PAN: AARPF3870A]

vs.

The Income Tax Officer, WD-1 & TPS, Guruvayur..... Respondent

Assessee by: Shri Hiran C., CA
Revenue by: Ms. Neethu S., Sr. DR

Date of Hearing: 18.08.2025
Date of Pronouncement: 19.08.2025

ORDER

Per: Inturi Rama Rao, AM

These appeals filed by the assessee are directed against different orders of the National Faceless Appeal Centre, Delhi dated 08.08.2024 & 13.08.2024 in quantum and penalty appeals respectively, for Assessment Year (AY) 2017-18.

2. Brief facts of the case are that the appellant is an individual. No regular return of income was filed by the appellant. Based on the information that the appellant made cash deposits aggregating to Rs. 1,06,67,283/- and also withdrawn cash from the current account

during the previous year relevant to the assessment year under consideration, the National Faceless Assessment Centre (hereinafter called "the AO") issued a notice u/s. 148 of the Income Tax Act, 1961 (the Act) on 24.03.2021. The appellant neither complied with the notice u/s. 148 nor notices u/s. 142(1) of the Act. In the circumstances, the AO had passed best judgement assessment vide order dated 24.03.2022 passed u/s. 147 r.w.s. 144B of the Act at a total income of Rs. 1,09,71,738/-. While doing so, the AO made addition of cash deposits made in the bank account maintained with ICICI Bank of Rs. 1,06,67,283/- as unexplained money of the assessee. The AO also made addition of total credits of Rs. 2,96,667/- made to various banks as unexplained money of the appellant.

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

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

5. At the outset, we find that there is a delay of 266 days in filing the present appeal. The appellant filed a petition along with an affidavit seeking condonation of delay in filing the appeal, wherein it is stated that the delay had occurred as the Chartered Accountant, who was entrusted with the matter failed to comply with the hearing notices as a result the appeal was dismissed *exparte*. He handed over

the order to the appellant only in December, 2024. Due to the continuing ill health of the appellant, she could not follow up the matter. In support of her ill health a medical certificate is also placed on record. It is submitted that the delay is not willful or deliberate. Therefore, it is prayed that the delay in filing the appeal may be condoned and the appeal may be admitted for adjudication. Having regard to the averments made in the affidavit seeking condonation of delay, in the absence of any evidence to the contrary, we are of the considered opinion that the appellant society is prevented by sufficient reasonable cause in filing the appeal within the prescribed limit. Accordingly, we condone the delay and admit the appeal for adjudication on merits.

6. We have heard the rival contentions and perused the material available on record. 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 *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 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.

7. Since the quantum appeal is restored to the file CIT(A), the penalty appeal is also restored back to the learned CIT(A).

8. In the result, the appeals filed by the assessee stand allowed for statistical purposes

Order pronounced in the open court on 19th August, 2025.

Sd/-
(RAHUL CHAUDHARY)
JUDICIAL MEMBER

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Cochin, Dated: 19th August, 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

By Order

Assistant Registrar
ITAT, Cochin