

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

**BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER
AND
SHRI SOUNDARARAJAN K., JUDICIAL MEMBER**

ITA No. 472/Coch/2025
Assessment Year : 2011-12

Shri Arimbooth Jayaprakash, Arimbooth House, Poonthanam, Nenmini Village (P.O.), Malappuram, Kerala – 679 325. PAN: AEAPJ6894H	Vs.	The Assistant Commissioner of Income Tax, Circle – 2(2), Tirur.
APPELLANT		RESPONDENT

Assessee by	:	Smt. Divya Ravindran, Advocate
Revenue by	:	Smt. Leena Lal, Snr. AR

Date of Hearing	:	04-08-2025
Date of Pronouncement	:	26-08-2025

ORDER

PER SOUNDARARAJAN K., JUDICIAL MEMBER

This is an appeal filed by the assessee challenging the order of the NFAC, Delhi dated 27/01/2025 in respect of the A.Y. 2011-12.

2. The assessee is a proprietor engaged in the business of aluminium fabrication works on contract basis. During the A.Y. 2011-12, the assessee incurred huge losses and the AO had made an assessment u/s. 144 of the Act. The AO made the assessment on the allegation that the assessee had cash deposits in Vijaya Bank and IDBI Bank which was treated as

unexplained income. The assessee challenged the said order before the Ld.CIT(A). The Ld.CIT(A) had dismissed the appeal on the ground that the assessee had not filed any grounds challenging the order of the assessment.

3. As against the said order, the assessee is in appeal before this Tribunal.

4. At the time of hearing, the Ld.AR submitted that the assessee is having all the documents to show that the cash deposits could not be treated as unexplained income but unfortunately, because of the heavy losses incurred by the assessee, he was not able to concentrate on business and therefore the details could not be filed before the AO. The Ld.AR further submitted that the authorised representative who have filed the appeal had omitted to file the grounds of appeal and therefore prayed that another opportunity to file the grounds may be granted and thereafter decide the appeal on merits. The Ld.AR further submitted that even though the assessee had not submitted the grounds, he has submitted written submissions along with the relevant documentary evidences and therefore submitted that the Ld.CIT(A) had dismissed the appeal on technical grounds without deciding the issue on merits.

5. The Ld.DR relied on the orders of the lower authorities.

6. We have heard the arguments of both sides and perused the materials available on record.

7. From the facts available on record, we came to know that the assessee had filed the appeal in time before the Ld.CIT(A) but unfortunately the consultant who had filed the appeal had not filed any elaborate grounds but submitted that the assessee had not concealed any income and also submitted that the grounds of appeal with evidences already furnished before the officer shall be furnished at the time of hearing. Subsequently before the Ld.CIT(A), the assessee filed his written submissions and also

some documents to show that there is no suppression of any income. The Ld.CIT(A) after extracting the said submissions and also the grounds filed by the assessee, had finally observed that the assessee had not filed any grounds of appeal for adjudication even though numerous opportunities have been given to the appellant for rectifying the said deficiency.

8. We have also considered the submission that the mistake has been committed by the tax consultant and therefore on the said ground, the assessee should not be penalised.

9. Considering the facts and circumstances of the case, we are of the view that the assessee should be granted another opportunity to appear before the Ld.CIT(A) with the detailed grounds of appeal and in such circumstances, the Ld.CIT(A) is directed to decide the appeal on merits and in accordance with law after hearing the assessee.

10. In the result, the appeal filed by the assessee is partly allowed.

Order pronounced in the open court on 26th August, 2025.

Sd/-
(INTURI RAMA RAO)
Accountant Member

Sd/-
(SOUNDARARAJAN K.)
Judicial Member

Cochin,
Dated, the 26th August, 2025
/MS /

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|---------------|---------------------|
| 1. Appellant | 2. Respondent |
| 3. CIT | 4. DR, ITAT, Cochin |
| 5. Guard file | 6. CIT(A) |

By order

Assistant Registrar,
ITAT, Cochin