

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

**BEFORE SHRI INTURI RAMA RAO, AM**

**ITA No. 864/Coch/2025  
Assessment Year: 2017-18**

CGR Hallmarkers Pvt. Ltd. ..... Appellant  
Building NO. 62/1906, A, Sadanam Road  
Extn., M.G. Road S.O., Kochi 682016  
[PAN: AACCC4855G]

vs.

DCIT, Corporate Circle 1(1), Kochi ..... Respondent

Assessee by: ----- None -----  
Revenue by: Ms. Neethu S. Sr. DR

Date of Hearing: 27.11.2025  
Date of Pronouncement: 28.11.2025

**ORDER**

This appeal filed by the assessee is directed against the order of the National Faceless Appeal Centre, Delhi [CIT(A)] for Assessment Year (AY) 2017-18.

2. Brief facts of the case are that the appellant is a company incorporated under the provisions of Companies Act, 1956 engaged in the business of refining precious metals and minting of coins and bars. The return of income for AY 2017-18 was filed on 30.10.2017 disclosing income of Rs. 46,28,269/-. Against the said return of income, the assessment was completed by the DCIT, Corporate Circle 1(1), Kochi (hereinafter called "the AO") vide order dated

20.12.2019 passed u/s. 143(3) of the Income Tax Act, 1961 (the Act) at total income of Rs. 78,85,320/-. While doing so, the AO made the following disallowances for the failure of the appellant to respond to the show cause notice issued to the appellant: -

i	Addition on account of service tax payable	Rs. 17,438/-
ii	Belated payment of employee's contribution towards PF & ESI	Rs. 5,97,092/-
iii	Disallowance of royalty for non deduction of TDS	Rs. 19,46,388/-
iv	Disallowance of rent for non deduction of TDS	Rs. 7,810/-
v	Disallowance of penalty	Rs. 3,58,318/-
vi.	Disallowance of cash deposits	Rs. 1,99,800/-

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. I 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 I am 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 stands partly allowed for statistical purposes.

Order pronounced in the open court on 28<sup>th</sup> November, 2025.

Sd/-  
**(INTURI RAMA RAO)**  
**ACCOUNTANT MEMBER**

Cochin, Dated: 28<sup>th</sup> November, 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