

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

BEFORE SHRI INTURI RAMA RAO, AM

**ITA No. 835/Coch/2025
Assessment Year: 2017-18**

Abdul Jaleel Appellant
Vapparakkal Kongad II, Parasery
Kongad, Palakkad 678631
[PAN: BFPPA5260M]

vs.

The Income Tax Officer, WD-1 & TPS, Palakkad..... 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 Commissioner of Income Tax (Appeals)-4, Mumbai [CIT(A)] dated 07.07.2025 for Assessment Year (AY) 2017-18.

2. Brief facts of the case are that the appellant is an individual engaged in the business of trading/wholesale distributor of the products of Idea Cellular Ltd. The appellant had not filed the return of income for AY 2017-18. Based on the information that the appellant had made cash deposits in bank account during demonetisation period of Rs. 19,02,400/- the The Income Tax Officer, Ward 1 & TPS, Palakkad (hereinafter called "the AO")

formed an opinion that income escaped assessment to tax. Therefore, a notice u/s. 142(1) of the Income Tax Act, 1961 (the Act) was issued to the appellant on 25.01.2018. The appellant did not comply with the notice u/s. 142(1) of the Act. In the circumstances the AO was compelled to pass best judgement assessment making addition of Rs. 7,95,160/- on account of commission received by the appellant of Rs. 3,82,163/- and cash deposit of Rs. 4,13,000/- made in specified bank notes during the demonetisation period.

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 28th November, 2025.

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Cochin, Dated: 28th 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