

The said decision would be squarely cover the facts and circumstances of the present case, and following which we direct for the deletion of the impugned disallowance u/s. 40A(3). "

6. After considering the submissions of the assessee, Id CIT(A) held as under:

"I have carefully analysed the arguments placed before me. A perusal of the full decision of the ITAT, Cochin Bench would negate the arguments placed before me in the case of Shri Renukeswara Rice Mills vs ITO. Therefore, I prefer to deal with the present case as per the decision of ITAT Cochin Bench (supra) particularly considering their observation at para 3.6 of the order as quoted above. The case of the appellant is mostly similar to the case of Koottummam Group vs ITO, Ward-3, Thiruvalla and the appellant was acting as a franchisee-distributor for the recharged vouchers of M/s. Dish TV India Ltd. Therefore, the cash deposits made by the appellant directly to the ICICI Bank account of the principal would not fall under the mischief of section 40A(3). Accordingly, I direct the AO to delete the disallowance of Rs.43,31,466/-."

7. During the course of hearing, Id D.R. relied on the order of the Assessing Officer. He could not point out any specific error in the above quoted order of the Id CIT(A). In view of above, I do not find any good and justifiable reason to interfere with the order of the Id CIT(A), which is hereby confirmed and the grounds of appeal of the revenue are dismissed.

8. Ld A.R. of the assessee submitted that he is not pressing the cross objection filed by the assessee and also made an endorsement to this effect in Form No.36A filed before the Tribunal. Therefore, the cross objection filed by the assessee is dismissed as withdrawn.