

**IN THE INCOME TAX APPELLATE TRIBUNAL  
“C” BENCH : BANGALORE**

BEFORE SHRI GEORGE GEORGE K., VICE PRESIDENT  
AND  
SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER

ITA No.32/Bang/2024
Assessment year : 2017-18

Kalidas Co-operative Credit Society Ltd., 1, Near Choudeshwari Temple, Kamatagi – 587 120. Hungund Tq. Bagalkot Dist. <b>PAN: AAAAK 9788L</b>	Vs.	The Income Tax Officer, Ward 1, Bagalkot.
APPELLANT		RESPONDENT

Appellant by	:	Shri Chetan Chougale, CA
Respondent by	:	Shri Parithivel, Jt.CIT(DR)(ITAT), Bengaluru.

Date of hearing	:	14.03.2024
Date of Pronouncement	:	22.03.2024

**ORDER**

*Per Laxmi Prasad Sahu, Accountant Member*

This appeal is filed by the assessee against the order dated 08.09.2023 of the CIT(Appeals), National Faceless Appeal Centre, Delhi [NFAC] for the AY 2017-18.

2. At the outset, there is a delay of 58 days in filing the appeal before the Tribunal. The assessee has filed application for condonation and affidavit stating that the assessee has not received any

communication of order CIT(Appeals) and came to know about it only when the OGE dated 31-10-2023 was passed on intimated on 16.11.2023. Subsequently the appeal was filed before the Tribunal. Due to these reasons, there was delay in filing the appeal and condonation of delay was requested for.

3. After hearing both the parties, we note that there was reasonable cause in belated filing of appeal before the Tribunal and following the Hon'ble Apex Court judgment in the case of Collector, Land Acquisition Vs. MST. Katiji and Others (1987) 167 ITR 471, we condone the delay.

4. The sole and substantive issue raised by the assessee is regarding addition made by the AO u/s. 68 towards cash deposited by the members during the demonetization period and deposited into bank account. In response to show cause notice the assessee furnished reply which was not accepted by the AO. Accordingly the AO made addition u/s. 68 of Rs.13,83,000 in regard to cash deposits during the demonetization period. The CIT(Appeals) confirmed the addition.

5. The ld. AR submitted that during the course of assessment proceedings the assessee provided details of members from whom the amounts were deposited in SBNs and the bank accounts in which the amount was deposited, name and other details were submitted which has not been denied by both the authorities. The addition made by AO has been confirmed by the CIT(Appeals) without verifying the details submitted. He submitted that the assessee accepted cash from

members only from 9.11.2016 to 14.11.2016. The amounts were deposited by the members in their accounts only and in respect of this argument he relied on the coordinate Bench decision in the case of Merchants Credit Co-operative Society Ltd. vs ITO in ITA No.329/Bang/2023 dated 24.08.2023.

6. The ld. DR relied on the order of the lower authorities.

7. After considering the rival submissions, we note that the details submitted by the assessee are not doubted and are not examined at any level by both the authorities. Therefore we remit this issue to the AO for verification of the details submitted by the assessee as per requirement of section 68 and decide the issue as per judgment relied by the ld. AR of the assessee quoted supra in the case of Merchants Credit Co-operative Society Ltd. vs ITO . The assessee is directed to comply with the notices of the AO and not seek unnecessary adjournment for early disposal of the case.

8. In the result, the appeal by the assessee is allowed for statistical purposes.

Pronounced in the open court on this 22<sup>nd</sup> day of March, 2024.

Sd/-  
( GEORGE GEORGE K. )  
VICE PRESIDENT

Sd/-  
(LAXMI PRASAD SAHU )  
ACCOUNTANT MEMBER

Bangalore,  
Dated, the 22<sup>nd</sup> March, 2024.

*/Desai S Murthy /*

Copy to:

1. Appellant
2. Respondent
3. Pr. CIT
4. CIT(A)
5. DR, ITAT, Bangalore.

By order

Assistant Registrar  
ITAT, Bangalore.