

आयकर अपीलीय अधिकरण
कोलकाता 'एसएमसी' पीठ, कोलकाता में
**IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA 'SMC' BENCH, KOLKATA**

श्री राजेश कुमार, लेखा सदस्य
एवं
श्री प्रदीप कुमार चौबे, न्यायिक सदस्य
के समक्ष
Before

**SRI RAJESH KUMAR, ACCOUNTANT MEMBER
&
PRADIP KUMAR CHOUBEY, JUDICIAL MEMBER**

**I.T.A. No.: 1476/KOL/2023
Assessment Year: 2017-18**

***Dudkomra Sreebora Samabay Krishi Unnyan Samity Ltd.....Appellant
[PAN: AACAD 3011 B]***

Vs.

ACIT, Cir.-38, Midnapure.....Respondent

Appearances:

Assessee represented by: Amit Agrawal, Adv. And Saurabh Majumdar, CA.

Department represented by: Supriyo Pal, Addl. CIT.

Date of concluding the hearing : August 8th, 2024

Date of pronouncing the order : October 21st, 2024

ORDER

Per Pradip Kumar Choubey, Judicial Member:

This appeal filed by the assessee pertaining to the Assessment Year (in short 'AY') 2017-18 is directed against the order passed u/s 250 of the Income Tax Act, 1961 (in short the 'Act') by Id. Commissioner of Income-tax (Appeals)-NFAC, Delhi [in short Id. 'CIT(A)'] dated 07.11.2023 arising out of the assessment order framed u/s 143(3) of the Act dated 23.11.2019.

1.1. The brief facts of the case of the appellant are that the assessee as claimed that they are Primary Agricultural Cooperative Society registered under West Bengal Cooperative Societies Act, 2006 carrying on business of

providing KCC loans to the members, SHG loans and carrying on business of banking with its former member by maintaining all rules and regulations. The assessee filed its return of income for the AY 2017-18 declaring total income of Rs. at 'NIL'. The case of the assessee was selected for scrutiny and show cause notice has been issued to the assessee as the assessee in its return of income computed the gross total income to the tune of Rs. 1,68,598/- which is less than 8% of gross receipts of Rs. 28,67,409/- as shown in the income tax return. The assessee claimed the whole amount as deduction under Chapter 6A for Rs. 1,68,598/- in spite of said notices and the show cause, there was no compliance by the assessee as a result of which the Assessing Officer (hereinafter referred to as Id. 'AO') assessed the total income at Rs. 46,68,598/-. The assessee has challenged the said order before the Id. CIT(A) thereby saying that the assessee Society situated in the remote village not used in electronic media, e-mail etc. and he did not receive any notice issued by the Id. AO. The Id. CIT(A) did not consider the submission of the assessee with regard to the non-service of the notices and dismissed his ground. Id. CIT(A) has also dismissed the ground of the assessee for deduction of Rs. 1,68,598/-. The Id. CIT(A) has dismissed the appeal on the ground that the appellant failed to furnish the source of the deposits.

Being aggrieved and dissatisfied with the impugned order, the present appeal has been preferred.

2. Before us, the Id. Counsel for the assessee submitted that the assessee being agricultural Society do not have any access to electronic media and e-mail etc. Therefore, he could not be able to furnish the documents before the Id. AO with regard to his claim. The Id. Counsel for the assessee filed papers which are as follows:

- 1) Partywise details of Cash Received from members totaling to Rs.45,56,237/-
- 2) Notarised Affidavit cum Declaration of 15 Number of Depositors along with their PAN, Aadhar card copies and Bank Ledger copies

2.1. He has also brought the member list of cash deposits during the demonetization period, bank account statement of TGCCB where amounts are deposited, audit report for AY 2017-18, registration certificate etc. The Id. Counsel for the assessee submits that the documents which have been sought by the Id. AO with regard to the claim of the assessee could not be filed before the Id. AO as the assessee has not been served any notices. The prayer of the appellant is that he has given an opportunity to place all those facts before the Id. AO as he is a primary agricultural Society and he has documents party-wise details of cash receipts. We have perused the order of the Id. AO and find that there was non-compliance of the assessee for the notices sent by the Id. AO as a result of which an amount of Rs. 45 Lakh deposited into the bank account of the assessee treated to be remained unexplained. Hereinafter, the assessee has filed party-wise details of cash receipts which has to be looked into. We have also gone through the order of the Id. CIT(A) and find that Id. CIT(A) in its order has held thus:

“7.6 The assessment order in this case was passed on 23.11.2019. One of the major additions was cash deposited during the demonetization period of Rs.45,00,000/- by treating the same as unexplained money. The appellant failed to respond to any of the notices issued by the AO. They have claimed in their grounds of appeal that those deposits were received from the members only. If they have maintained such details and KYC particulars of each member, who allegedly deposited cash, they could have provided such information, the moment they received the first hearing notice. In the present case, in spite of providing multiple opportunities by the AO and the appellate authority, they were only seeking further time without producing those basic details in support of their contention. The appellant ought to have furnished complete details of identity of each person from whom they received those money and deposited into the Bank account either before the AO or before the appellate authority. In the absence of such basic details, forthcoming from the appellant, the action of the AO, treating the sum as unexplained money u/s 69A of the IT Act is upheld and the grounds taken are dismissed.”

3. Keeping in view the order passed by the Id. CIT(A) as well as the Id. AO and the documents filed by the assessee before us, we are inclined to pass an order by giving an opportunity to the assessee to place all those papers before the Id. AO with regard to his claim. Accordingly, the order passed by the Id.

CIT(A) as well as Id. AO are hereby set aside, the case is restored to the file of the Id. AO. The assessee is hereby directed to place all those papers before the Id. AO with regard to his claim and the Id. AO shall pass an order after hearing the assessee.

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

Order pronounced in the open Court on 21st October, 2024.

Sd/-

[Rajesh Kumar]

Accountant Member

Dated: 21.10.2024

Bidhan (P.S.)

Copy of the order forwarded to:

- 1. Dudkomra Sreebora Samabay Krishi Unnyan Samity Ltd., Paschim Medinipur, West Bengal, 721130.**
- 2. ACIT, Cir.-38, Midnapure.**
3. CIT(A)-6, Chennai.
4. CIT-
5. CIT(DR), Kolkata Benches, Kolkata.

//True copy //

Sd/-

[Pradip Kumar Choubey]

Judicial Member

By order

Assistant Registrar
ITAT, Kolkata Benches
Kolkata