



।आयकर अपीलीय अधिकरण "एस एम सी" न्यायपीठ पुणेमें।  
IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE BENCHES "SMC" :: PUNE

BEFORE DR.DIPAK P. RIPOTE, ACCOUNTANT  
MEMBER AND  
SHRI VINAY BHAMORE, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.1492/PUN/2024

निर्धारण वर्ष / Assessment Year: 2017-18

Shri Devi Jugai Gramin Bigar Shet, 941, Kusumb, Devrukh, Ratnagiri – 415804. PAN: AANAS0063R	V s	The Income Tax Officer, Ratnagiri.
Appellant/ Assessee		Respondent / Revenue

Assessee by	Shri Pramod S Shingte – AR
Revenue by	Shri Prakash L Pathade – DR
Date of hearing	13/11/2024
Date of pronouncement	18/11/2024

**आदेश/ ORDER**

**PER DR. DIPAK P. RIPOTE, AM:**

This is an appeal filed by the Assessee directed against the order of Id.Commissioner of Income Tax(Appeal)[NFAC], under section 250 of the Income tax Act, 1961 dated 26.12.2023 for A.Y.2017-18. The assessee has raised the following grounds of appeal :

“1. On the facts and circumstances of the case and in law the CIT(A), NFAC erred in confirming the addition made by the Income Tax Officer, Ward 2, Ratnagiri (hereinafter referred to as the 'ITO')



*of Rs. 12,13,000/- representing the total of cash deposits during demonetization period not accepting the claim of the appellant society that the source of the cash deposit being out of identified sources who are members of the society, no addition is called for in respect of such cash deposits.*

*The appellant prays that the ITO be directed to delete the addition.*

2. *On the facts and circumstances of the case and in law the CIT(A), NFAC erred in confirming the addition made the ITO by estimating the business income of the appellant @10% of the total credits in the bank account not accepting the claim of the appellant that:*

- a. *The appellant being a co-operative society whose accounts are audited under the Maharashtra State Co-operative Societies Act, 1960, its income needs to be taken as per the audited accounts.*
- b. *Its entire income is eligible for deduction u/s 80P(2)(a)(i) and hence no income liable to tax.*

*The appellant prays that the ITO be directed appropriately in the matter.*

*The appellant craves leave to add to, amend, alter, delete or modify all or any of the above ground of appeal or raise a new ground of appeal before or at the time of hearing.”*

**Submission of Id.Authorised Representative(Id.AR) :**

2. Assessee is a small society operating from rural area. Being Co-operative Credit Society its income is eligible for deduction u/s.80P(2)(a)(i) and hence it was under genuine impression that the income tax return filing requirements are not applicable in its case. The cash deposits by the society are all from the money collected



from its customers who deposited the cash in their respective deposit or loan accounts and thus are identified parties their identification documents being on record.

2.1 Ld.AR further submitted that during the period of Demonetization, there were cash deposits by assessee in RDCC Bank Ltd. Due to ignorance of e-proceedings, assessee could not file details before the Assessing Officer and Id.CIT(A). Assessee has all the records regarding cash deposits. These amounts were received from the customers and then deposited in RDCC Bank. Assessee has list of customers and their KYC Details. Ld.AR sought permission to file a paper book containing all these details as additional evidence. Ld.AR pleaded that it is a small co-operative patsanstha in a remote area and hence they were not aware about the procedure. Ld.AR requested that in the interest of justice, additional evidence may kindly be admitted.

**Submission of Id.Departmental Representative(Id.DR) :**

3. The Id.DR for the Revenue relied on the order of Assessing Officer(AO) and Id.CIT(A)[NFAC].Ld.DR, however, submitted



that in case the additional evidence is admitted, then case may be set-aside to Assessing Officer/ld.CIT(A).

**Findings & Analysis :**

4. We have heard both the parties and perused the records. In this case, it is observed that AO had passed an ex-parte order. It has been submitted by the Chairman of the Assessee's Society in an affidavit that Secretary of the Society was looking after these matters and unfortunately, he has died in an accident. It has been submitted in the affidavit that other members were not aware about the matter.

4.1 We have perused the paper book which has been filed as an additional evidence by the assessee. It contains copies of the ledger accounts of the customers claimed to have deposited cash. It also contains copies of the Aadhar Cards/PAN Cards of those customers. Assessee has also filed a list of the customers who have made cash deposits. In these typical facts of the case, we are of the opinion that in the interest of the justice, additional evidence must be admitted. Accordingly, we admit the additional evidence. However, since Assessing Officer has not verified these details, we



set-aside the order of the Assessing Officer for denovo adjudication. The Assessing Officer shall provide opportunity of hearing to the assessee. Assessee shall file all the necessary documents before the Assessing Officer. Accordingly, grounds of appeal filed by the assessee are allowed for statistical purpose.

5. In the result, appeal of the assessee is allowed for statistical purpose.

Order pronounced in the open Court on 18<sup>th</sup> November, 2024.

**Sd/-**  
**(VINAY BHAMORE)**  
**JUDICIAL MEMBER**

**Sd/-**  
**(DR. DIPAK P. RIPOTE)**  
**ACCOUNTANT MEMBER**

पुणे / Pune; दिनांक / Dated : 18<sup>th</sup> Nov, 2024/ SGR\*

**आदेशकीप्रतिलिपिअग्रेषित / Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The CIT(A), concerned.
4. The Pr. CIT, concerned.
5. विभागीयप्रतिनिधि, आयकर अपीलीय अधिकरण, "एस एम सी" बेंच, पुणे / DR, ITAT, "SMC" Bench, Pune.
6. गार्डफ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// TRUE COPY //

Senior Private Secretary  
आयकर अपीलीय अधिकरण, पुणे/ITAT, Pune.