

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

BEFORE SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER
AND
SHRI PRAKASH CHAND YADAV, JUDICIAL MEMBER

ITA No.1766/Bang/2024
Assessment year : 2018-19

Sahara Minorities Credit Co-operative Society Ltd., 394/A, Building Construction Labour Sangha Complex, Huvina Hadagali – 583 219. Vijayanagara District. PAN : AAQAS 6253A	Vs.	The Income Tax Officer, Ward 1 & TPS, Hospet – 583 219.
APPELLANT		RESPONDENT

Appellant by	:	Smt. Sunaina Bhatia, CA
Respondent by	:	Ms. Neha Sahay, Jt.CIT(DR)(ITAT), Bengaluru.

Date of hearing	:	13.11.2024
Date of Pronouncement	:	20.11.2024

ORDER

Per Laxmi Prasad Sahu, Accountant Member

This appeal is filed by the assessee against the order dated 16.7.2024 of the CIT(Appeals), National Faceless Appeal Centre, Delhi [NFAC], for the AY 2018-19.

2. The sole ground raised by the assessee is that the Id. CIT(Appeals) has decided the appeal only on the premise that ground

of appeal has not been filed by the assessee after reminding through notices and dismissed the appeal of the assessee.

3. The Id. Counsel submitted that while filing Form 35 at sl.no. 13, it was stated that grounds of Appeal is attached separately. However, the Id. CIT(A) has not decided on the issue raised by the assessee. The Id. Counsel further submitted that on 27.06.2024, it was again submitted before the CIT(A) that the facts and grounds of appeal which were submitted earlier, but the Id. CIT(A) did not consider. She submitted that as per paperbook page 8, the assessee forgot for writing Grounds of Appeal. It is mentioned as Description of the Issues which are as under:-

Description of the Issues:

- ❖ Additions on account of cash deposit/credit in the Bank account to the extent of an amount of Rs 1,72,91,661/- (1,53,59,130/-+18,91,459/-+41,072/-)
- ❖ During the course of examination of documents for cash deposits, the AO has stated that, we had made the cash deposits of Rs. 3,17,54,850/- and cash withdrawals of Rs. 3,33,41,928/-, which are as per the information as furnished by the BDCC Bank, Hadagali, against the notice u/s 133(6) of the Act. Which is not correct. The Assessing Officer has erred in making the additions of Rs 1,53,59,130/- on the basis of cash deposits/ credits made to the BDCC Bank and Karnataka Grameena Bank Current A/c.
- ❖ The AO had erred in making the additions of Rs 18,91,459/-, the cash withdrawals made in the BDCC A/c & current account maintained at Karnataka Grameena Bank Ltd.
- ❖ The AO had stated that there is a suppressed income of Rs 41,072/- on account of Interest earned from the deposits with the Bank. Which is not correct.

4. She requested that the matter may be sent back to Id. CIT(A) for fresh adjudication and the assessee has a good case and the assessee is a credit cooperative society registered under the Karnataka Cooperative Societies Act, 1959. Assessee is carrying on business of

banking services to its members like accepting various types of deposits viz., Savings Accounts, Current Accounts, term/fixed deposits, recurring deposits and pigmy deposits and also providing credit facility or financial assistance to its members like long term loans, short term loans, loan against deposit, pigmy loan, building loan, mortgage loan, over drafts, vehicle loan and loan to employees and assessee is eligible for claim of deduction u/s. 80P.

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

6. Considering the rival submissions, we note that the CIT(Appeals) has not decided the issue raised by the assessee as there was no attachment of separate grounds of appeal, instead it is mentioned as description of issues and it was again filed on 27.06.2024. Considering the facts of the case, we are remitting back to the file of ld. CIT(Appeals) for fresh consideration on the basis of description of issues as noted above. Needless to say that reasonable opportunity of being heard be given to the assessee.

7. In the result, the appeal is allowed for statistical purposes.

Pronounced in the open court on this 20th day of November, 2024.

Sd/-
(PRAKASH CHAND YADAV)
JUDICIAL MEMBER

Sd/-
(LAXMI PRASAD SAHU)
ACCOUNTANT MEMBER

Bangalore,
Dated, the 20th November, 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.