

**IN THE INCOME TAX APPELLATE TRIBUNAL  
PATNA "SMC" BENCH, VIRTUAL HEARING AT KOLKATA**

**Before  
SRI SANJAY GARG, JUDICIAL MEMBER**

**I.T.A. No.: 12/PAT/2025  
Assessment Year: 2018-19**

***Purnea Sanjukta Vyapar Mandal  
Sahyog Samity Limited*** ..... ***Appellant***  
***Vyapar Mandal Gulabbagh,  
Gulabbagh S.O. Gulabbagh, Purnea,  
Bihar-854326  
(PAN: AACAP3972B)***

**Vs.**

***ITO, Ward-3(1), Purnea*** ..... ***Respondent***

**Appearances:**

***Appellant represented by: Shri Narendra Jain, AR  
Respondent represented by: Shri Ashwani Kumar, Sr. DR***

Date of concluding the hearing : 10.02.2025

Date of pronouncing the order : 10.02.2025

**ORDER**

The captioned appeal has been preferred by the assessee against the order dated 04.06.2024 of the Ld. Commissioner of Income Tax (Appeal), National Faceless Appeal Centre, Delhi [hereinafter referred to as Ld. 'CIT(A)'] u/s. 250 of the Income Tax Act, 1961 (hereinafter referred to as the "Act") for Assessment Year (AY) 2018-19.

2. Appeal of the assessee is time barred by 134 days. An application for condonation of delay has been filed. Considering the averments made in the application, delay in filing the appeal is hereby condoned and the appeal is taken up for hearing.

3. The assessee is aggrieved by the action of the Ld. CIT(A) in confirming the addition made by the Assessing Officer of Rs.4,19,050/- on account of unexplained cash credits in the bank account of the assessee.

4. At the outset, the Ld. Counsel for the assessee has submitted that the assessee is an agricultural Cooperative Society and it is not into any business

of earning of profit. It receives funds from the government for further distribution to the farmers. The assessee also gives funds on credits to the farmers. The Ld. Counsel for the assessee has submitted that the Assessing Officer treated the entire credits in the bank account of the assessee as turnover of the assessee and made the impugned addition. The Assessing Officer noted that there was certain amount of cash deposit in the bank account of the assessee regarding which the assessee could not explain properly.

5. On the other hand, the ld. AR of the assessee has explained that the aforesaid cash deposits were out of the amount received back from the farmers. He has submitted that the Assessing Officer has not justified in treating the entire credits into the account of the assessee as sales turnover of the assessee. He has submitted that the assessee has a GST number and the sales turnover over is recorded in the GST return. The Ld. DR could not rebut the aforesaid contention of the Ld. AR of the assessee.

6. Considering the above facts and circumstances, in my view the impugned addition is not justified and the same is accordingly ordered to be deleted.

7. In the result, the appeal of the assessee stands allowed.

***Order pronounced in the open Court.***

Sd/-  
**[Sanjay Garg]**  
Judicial Member

Dated: 10.02.2025

*J.Dey (Sr. P.S.)*

*Copy of the order forwarded to:*

1. **Appellant : Purnea Sanjukta Vyapar Mandal Sahayog Samity Ltd.**
2. **Respondent : ITO, Ward-3(1), Purnea**
3. **CIT(A), NFAC, Delhi**
4. **CIT**
5. DR, ITAT, Patna Bench, Patna.
6. Guard File.

*//True copy //*

By order

Assistant Registrar  
ITAT, Patna Benches  
Patna