



**आयकर अपीलीय अधिकरण "ए" न्यायपीठ पुणेमें।
IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCHES "A" :: PUNE**

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

आयकर अपील सं. / ITA No.2509/PUN/2024

निर्धारण वर्ष / Assessment Year: 2007-08

Shri Ganesh SSK Ltd., A/p. Ranjangaon Khurd, Tal. Rahata, Dist. Ahmednagar – 413719. Maharashtra.	V s	The DCIT, Ahmednagar Circle, Ahmednagar.
PAN: AAEAS0636H		
Appellant/ Assessee		Respondent / Revenue

Assessee by	Shri Hanmant Dattatray Dhavle – AR
Revenue by	Shri Ramnath P Murkude - DR
Date of hearing	22/04/2025
Date of pronouncement	24/04/2025

आदेश/ ORDER

PER DR. DIPAK P. RIPOTE, AM:

This appeal filed by the assessee is against the order of
ld.Commissioner of Income Tax(Appeals)[NFAC], passed under
section 250 of the Income Tax Act, 1961, dated 25.10.2024 for
Assessment Year 2007-08. The assessee has raised the following
grounds of appeal :



“1. On the fact and in the circumstances of the case and in law of the learned NFAC – Commissioner of Income Tax(Appeals) Delhi, has erred in disallowing and adding back an amount of Rs.45,76,534/- on account of Excess Cane price paid to members.

2. The appellant craves for the leave, add, alter, amend, modify and delete any or all the above grounds of appeals before or at the time of the hearing.”

Findings & Analysis :

2. We have heard both the parties and perused the records. The only issue involved before us is whether price paid for purchase of sugar cane to the members is allowable as deduction or not!

3. There has been a long-drawn litigation in the case of the assessee on this issue. However, we do not intend to discuss the long-drawn litigation, as after the Amendment to the Income Tax Act, issue is almost settled.

3.1 “In the Finance Act 2023, the Government has made statutory amendment by inserting sub-section (19) in section 155 of the Income Tax Act, 1961 granting relief to cooperative sugar factories, which is reproduced as follows:

155(19) - Where any deduction in respect of any expenditure incurred for the purchase of sugarcane has been claimed by an assessee, being a co-operative society engaged in the business of manufacture of sugar, and such deduction has been disallowed wholly or partly in any previous year commencing on or before the 1st day of April, 2014, the Assessing Officer shall, on the basis of an application made by such assessee in this regard, recompute the total income of the assessee for such previous year after allowing deduction to the extent such expenditure is incurred at a price which is equal to or less than the



price fixed or approved by the Government for that previous year, and the provisions of section 154 shall, so far as may be, apply thereto, and the period of four years specified in sub-section (7) of that section shall be reckoned from the end of previous year commencing on the 1st day of April, 2022.]

3.2 Further, the SOP for application for Re-computation of total income of co-operative society engaged in the business of manufacture of sugar as provided in the sub-section 19 of Sec. 155 of the LT. Act, 1961 was issued by CBDT on 27/07/2023 vide Circular No.14 Qf2023.”

4. It is an admitted fact that assessee has filed an application under section 155(19) of the Act as per the procedure laid down after the Amendment. In these facts and circumstances of the case, we set-aside the issue to the Assessing Officer to decide the application of the assessee filed u/s.155(19) of the Act.

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

Order pronounced in the open Court on 24th April, 2025.

Sd/-
(VINAY BHAMORE)
JUDICIAL MEMBER

Sd/-
(DIPAK P.RIPOTE)
ACCOUNTANT MEMBER

पुणे / Pune; दिनांक / Dated : 24th April, 2025/ 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, "ए" बेंच, पुणे / DR, ITAT, "A" Bench, Pune.
6. गार्डफ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// TRUE COPY //

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