

आयकर अपीलीय अधिकरण, 'ए' न्यायपीठ, चेन्नई
**IN THE INCOME TAX APPELLATE TRIBUNAL
'A' BENCH, CHENNAI**

श्री एबी टी वर्की, न्यायिक सदस्य एवं श्री एस. आर. रघुनाथा, लेखा सदस्य के समक्ष
**BEFORE SHRI ABY T VARKEY, JUDICIAL MEMBER AND
SHRI S. R. RAGHUNATHA, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.:1415/Chny/2025

निर्धारण वर्ष / **Assessment Year: 2016-17**

Ramanathapuram District Central Cooperative Bank Limited, Post Box No.25, 265-E, Vandikkara Street, Ramanathapuram – 623 501.	vs.	ITO, Ward -1, Ramnad.
[PAN:AAIFR-2500-A] (अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Shri. R. Prasanna Venkatesan, C.A.
प्रत्यर्थी की ओर से/Respondent by : Ms. E. Pavuna Sundari, C.I.T.

सुनवाई की तारीख/Date of Hearing : 06.08.2025
घोषणा की तारीख/Date of Pronouncement : 09.10.2025

आदेश / O R D E R

PER S. R. RAGHUNATHA, AM:

The present appeal is filed by the assessee against the order dated 20.03.2025 passed by the learned Commissioner of Income Tax(Appeals), National Faceless Appeal Centre (NFAC), Delhi, (hereinafter referred to as "CIT(A)"), dismissing the appeal filed by the assessee against the assessment

order dated 21.09.2021 passed u/s.147 read with section 144B of the Income Tax Act, 1961 (hereinafter referred to as the "Act") for the A.Y.2016-17.

2. The assessee is a District Level Co-operative Bank formed under Tamil Nadu Co-operative Societies Act. It is under the control of Rules and Regulations Governed by RBI. The main activity of the bank is to accept the deposits and lend money to the borrowers and also invest in various deposits and securities as allowed by the Co-operative Societies Act and RBI. The return of income for the year under consideration i.e. for A.Y.2016-17 has been filed on 17/10/2016 declaring total income at Rs.NIL. The said return was processed u/s.143(1) of the Income Tax Act,1961.

3. Subsequently, the case of the assessee was taken up for scrutiny and various additions were made, against which the assessee preferred an appeal against a few additions, which were further confirmed by the first appellate authority, against which the assessee is in appeal before us. The details are tabulated as below.

Particulars	Amount In Rs.	Allowed/ Disallowed by the Assessing Officer	Allowed/ Disallowed by the CIT (Appeals)	Whether appeal is preferred before ITAT
Provision for Standard Provision	6,43,60,332	Disallowed	Disallowed	No
Provision for sundry Dr Advance	2,28,31,424	Disallowed	Disallowed	No
Provision for I Account				

	74,90,705	Disallowed	Disallowed	No
Cost of Management due	86,06,865	Disallowed	Disallowed	Yes
Contingent	1,20,43,357	Allowed	NA	NA
Deduction under section 36(1) (vii a)	20,70,41,743	Disallowed	Disallowed	Yes

4. With respect to the additions that are contested before us, i.e., “Cost of Management due” and “Deduction u/s.36(1)(via) of the Act”, the Ld.AR of the assessee filed additional evidence in terms of Rule 29 of the Income Tax (Appellate Tribunal) Rules, 1963 and also written submissions in support of its case and prayed that the additional evidence may be taken on record and prayed that the appeal may be allowed in its favour.

5. Per contra, the Ld.DR vehemently opposed the additional evidence that are filed and submitted that the order of the authorities below needs no interference and prayed that the appeal may be dismissed.

6. After going through the documents filed by the Ld.AR and the submissions made before us by both the parties, we are inclined to admit the additional evidence. Since, these additional evidence filed by the assessee needs to be verified by the Assessing Officer, we are of the view that the assessee could be given one more opportunity before the Assessing Officer to substantiate its case. Hence, we direct the Assessing Officer to decide the issues concerning “Cost of Management due” and “Deduction u/s.36(1)(via) of

the Act” after considering the relevant submissions made by the assessee. The assessee is directed to be diligent in appearing before the Assessing Officer as and when called for and entitled to file the required relevant documents and records before the Assessing Officer, in support of its claim.

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

Order pronounced in the open court on 09th October, 2025 at Chennai.

Sd/-
(एबी टी वर्की)
(ABY T VARKEY)
न्यायिक सदस्य/Judicial Member

Sd/-
(एस. आर. रघुनाथा)
(S. R. RAGHUNATHA)
लेखासदस्य/Accountant Member

चेन्नई/Chennai,

दिनांक/Dated, the 09th October, 2025

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आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT– Chennai/Coimbatore/Madurai/Salem
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF