

IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE BENCH "B", PUNE

BEFORE SHRI MANISH BORAD, ACCOUNTANT MEMBER  
AND  
SHRI VINAY BHAMORE, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.2216/PUN/2025  
निर्धारण वर्ष / Assessment Year : 2019-20

Riddhi Siddhi Mahila Nagari Co-op. Credit Society Ltd., Palkar House, 157, Guruwar Peth, Shri Vitthal Chouk, Karad- 415110. PAN : AACAR0958D	Vs.	Assessment Unit, Income Tax Department.
Appellant		Respondent

Assessee by : Shri Vijaykumar N. Kashirsagar  
Revenue by : Shri Vinod Pawar (Virtual)

Date of hearing : 28.10.2025  
Date of pronouncement : 19.11.2025

**आदेश / ORDER**

**PER VINAY BHAMORE, JM:**

This appeal filed by the assessee is directed against the order dated 28.08.2025 passed by Ld. CIT(A)/NFAC for the assessment year 2019-20.

2. Facts of the case, in brief, are that the assessee is a primary credit co-operative society engaged in the business of providing credit facilities to its members and also in accepting deposits from them. On the basis of information that the assessee has made one time deposit of Rs.5,95,522/- and TDS of more than Rs.7,72,686/-

was deducted u/s 194A of the Act on the PAN of the assessee and still assessee has not furnished its return of income for the period under consideration, the case of the assessee was reopened and notice u/s 148 was issued to the assessee after necessary compliance and approvals. Subsequently, other statutory notices u/s 142(1) and 143(2) were issued to the assessee. The assessee in compliance to above said notice u/s 148 furnished its return of income by claiming deduction u/s 80P(2)(c)(ii) of Rs.50,000/- & u/s 80P(2)(d) of Rs.17,86,296/- of the Act amounting in all to Rs.18,36,296/-. During the course of assessment proceedings, the assessee furnished balance-sheet and other financials, details of bank accounts held by the assessee, bank statement of all the banks, details of investment made by the assessee society with other cooperative banks, details of secured and unsecured loan taken and repaid during the year and details of income from other sources i.e. interest from other cooperative banks and details of interest income on loans and advances from members and also details of interest income received on fixed deposit from other cooperative banks and details of interest paid on deposits received from members of the society and also the details of interest paid to other banks on outstanding loans were

furnished by the assessee. However, the Assessing Officer was not satisfied with the reply and information furnished by the assessee since he was of the opinion that the assessee failed to furnish party-wise details of cash receipts/ deposit from the members and therefore treated the whole of the deposit of Rs.7,81,16,000/- in the bank account as unexplained cash credit and also treated the interest income received from PALKAR's as undisclosed interest income and also disallowed the deduction claimed under section 80P(2)(c) & (d) of the Act amounting in all to Rs.18,36,296/- and added to the income of the assessee, since in the light of section 80AC of the Act, return of income was not furnished u/s 139(1) of the Act. Accordingly, vide order dated 28.07.2023 the Assessing Officer completed the assessment u/s 147 r.w.s. 144B of the Act by determining total income at Rs.8,07,24,982/- as against Nil income returned by the assessee in the return furnished in response to notice u/s 148 of the Act.

3. Being aggrieved with the above action of the Assessing Officer, the assessee co-operative society preferred an appeal before Ld. CIT(A)/NFAC. Since the assessee remained absent, vide order

dated 28.08.2025, Ld. CIT(A)/NFAC dismissed the appeal filed by the assessee.

4. It is the above order against which the assessee is in appeal before this Tribunal.

5. Ld. AR appearing from the side of the assessee submitted before us that the order passed by Ld. CIT(A)/NFAC is unjustified. Ld. AR submitted before us that each and every detail required by the Assessing Officer was furnished before him and it was grave error on the part of the Assessing Officer to treat the whole of the receipts of Rs.7,81,16,000/- in its bank accounts as income of the assessee since the same was the regular receipt pertaining to regular business transactions of the assessee credit co-operative society with their members, the interest income of Rs.7,72,686/- was already included in the income disclosed by the assessee and the interest income received from investments made with other cooperative banks was deductible u/s 80P(2)(d) of the Act. Ld. AR further submitted that the accounts of the assessee credit co-operative society were regularly maintained and same were produced before the Registrar Co-operative Society. Regarding non-appearance before Ld. CIT(A)/NFAC, Ld. AR submitted before the bench that

earlier the assessee credit co-operative society does not possess any email of its own and an email of one of the member of the society was provided in Form 35 and the information/ notices of hearing which were sent on the above email ID were not informed by that member to the assessee credit co-operative society which resulted in above unfortunate *ex-parte* order by Ld. CIT(A)/NFAC. Ld. AR further submitted that similar addition was also made in earlier assessment year i.e. in assessment year 2018-19 and Ld. CIT(A)/NFAC was pleased to allow the appeal of the assessee wherein deduction u/s 80P was also allowed to the assessee credit co-operative society. Ld. AR also submitted that now the credit co-operative society has updated its own email ID on the income tax portal and henceforth no such mistake shall be committed. Ld. AR also requested that the matter may kindly be restored to the file of the Jurisdictional Assessing Officer so that the assessee would be in a position to explain each and every receipt in the bank account with nature of transactions, since in earlier assessment proceedings the whole of the receipts in the bank account were treated as unexplained cash credit.

6. Ld. DR appearing from the side of the Revenue relied on the orders passed by the subordinate authorities and requested to confirm the same.

7. We have heard Ld. counsel from both the sides and perused the material available on record including the paper book & case laws furnished by the assessee. It is the soul contention of Ld. counsel of the assessee that all the details required by the Assessing Officer are available with the assessee and if one opportunity is provided to the assessee credit co-operative society they are in the position to explain each and everything before the Assessing Officer. It was also contended by Ld. counsel of the assessee that in immediate preceding assessment year i.e. in assessment year 2018-19 similar additions were also made and Ld. CIT(A)/NFAC was pleased to allow deduction u/s 80P of the Act to the assessee, in this regard copy of appellate order passed in the case of assessee itself for assessment year 2018-19 was also produced. Regarding treatment of whole of the receipts appearing in the bank account as unexplained cash credit it was the contention of Ld. counsel of the assessee that the whole of the receipt represents regular business transactions in the course of providing credit facilities and accepting

deposits from members of the credit co-operative society and also represents the recovery of loan amount from the members of the society therefore treating the same as unexplained cash credit is not correct since each and every detail is available with regard to each and every receipt appearing in the bank accounts. Regarding addition of interest income of Rs.7,72,686/- it was the contention of Ld. counsel of the assessee that this interest income has already been considered by the assessee credit co-operative society in its books of accounts and is already part of the interest income disclosed by the assessee credit co-operative society and therefore it is a double addition.

8. Considering the totality of the facts of the case and in the interest of justice and without going into merits of the case, we deem it appropriate to set-aside the order passed by Ld. CIT(A)/NFAC and remand the matter back to the file of the Jurisdictional Assessing Officer to pass assessment order afresh as per fact and law after providing reasonable opportunity of hearing to the assessee. The assessee is also hereby directed to respond/appear before the Jurisdictional Assessing Officer in this regard and to produce relevant documents/evidences/explanations/books of

accounts etc in support of its contentions, without taking any adjournment under any pretext, otherwise Ld. CIT(A)/NFAC shall be at liberty to pass appropriate order as per law. Thus, the grounds of appeal raised by the assessee are allowed for statistical purposes.

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

Order pronounced on this 19<sup>th</sup> day of November, 2025.

**Sd/-**  
**(MANISH BORAD)**  
**ACCOUNTANT MEMBER**

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

पुणे / Pune; दिनांक / Dated : 19<sup>th</sup> November, 2025.

*Sujeet*

**आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "B" बेंच, पुणे / DR, ITAT, "B" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

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