



आयकर अपीलीय अधिकरण "एस एम सी" न्यायपीठ पुणेमें।  
IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE BENCHES "SMC" :: PUNE

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

आयकर अपील सं. / ITA Nos.2103 & 2104/PUN/2025

निर्धारण वर्ष / Assessment Year: 2018-19

Baramati Taluka V SahakariPhalutpadan Sangh, s At PipmaliAtPimpali Post Pimpali Taluka Baramati District Pune – 413102. Maharashtra.	The Income Tax Officer, Ward-14(5), Pune.
PAN: AAATB5269Q	
Appellant/ Assessee	Respondent / Revenue

Assessee by	Shri Pramod Shingte
Revenue by	Shri Arvind Renge – Addl.CIT(Virtual)
Date of hearing	04/11/2025
Date of pronouncement	24/11/2025

**आदेश/ ORDER**

**PER DR. DIPAK P. RIPOTE, AM:**

These two appeals filed by the Assessee are against the separate orders of Id.Commissioner of Income Tax(Appeal)[NFAC] passed under section 250 of the Income Tax Act, 1961 for the A.Y.2018-19 dated 25.07.2025 and 07.08.2025 respectively; against the order u/s.143(3) dated 05.03.2021 and penalty order u/s.270A of the Act, dated 09.08.2021 respectively.For the sake of convenience,



these two appeals were heard together and are being disposed of by this common order. We treat the appeal in ITA No.2104/PUN/2025 as lead case. The Assessee in ITA No.2104/PUN/2025 has raised the following grounds of appeal :

*“1. On the facts and the circumstances of the case and in law, lower authorities erred in passing ex-parte order and erred in deciding the issue only on the basis of material available with them, this action is being violative of principal of natural justice. Your appellant prays for granting opportunity of hearing before lower authorities.*

*Without prejudice to the above grounds of appeal, following grounds are also taken on merit,*

*2. On the facts and in the circumstances of the case and in law learned AO erred in rejecting deduction under section 80P(2)(a)(i) for a sum of Rs. 12,47,360/-being part of book profit of appellant society without appreciating the fact that earning of interest is an integral part of society's business and appellant prays for allowing such deduction.*

*3. On the facts and in the circumstances of the case and in law Learned Assessing officer erred in treating sum of Rs.7,521 and Rs. 12,39,839 being income from SB account and income from FD respectively received from other co-operative banks, as income from other sources without realizing the fact that earning of interest income is integral part of business activity of appellant society and therefore, appellant has rightly claimed deduction under section 80P and same shall be allowed.*

*4. Without prejudice to above ground on the facts and circumstances of the case and in the law Learned Assessing Officer erred in not allowing the deduction under section 80P(2)(d) on interest income received from other co-operative society. Your appellants pray for allowing of the same.*

*5. Without prejudice to above ground, On the facts and circumstances of the case and in the law Learned Assessing Officer erred in treating entire interest income as interest income received from other co-*



*operative society or bank without allowing deduction on account of interest expenses. Your appellant prays for such deduction*

*Your appellant prays for deletion of entire addition. Your appellant craves for to add, alter amend, modify, delete any or all grounds of appeal before or during the course of hearing in the interest of principle of natural justice.”*

1.1 The Assessee in ITA No.2103/PUN/2025 has raised the following grounds of appeal :

*“1. On the facts and the circumstances of the case and in law, lower authorities erred in passing ex-parte order and erred in deciding the issue only on the basis of material available with them, this action is being violative of principal of natural justice. Your appellant prays for granting opportunity of hearing before lower authorities.*

*Without prejudice to the above grounds of appeal, following grounds are also taken on merit,*

*2. On the facts and in the circumstances of the case and in law Learned Assessing officer erred in leaving the penalty of Rs.7,64,688/- by treating the disallowance of proportionate claim under section 80P as item of under-reporting and consequently misreporting without realizing the fact that, in the return of income your appellant has made bonafide claim which has been allowed to the assess in previous year therefore, appellant strongly believes that there is neither any under reporting income nor any misreporting of income and entire penalty needs to be dropped.*

*Your appellant prays for deletion of entire addition. Your appellant craves for to add, alter amend, modify, delete any or all grounds of appeal before or during the course of hearing in the interest of principle of natural justice.”*

### **Findings & Analysis :**

2. We have heard ld.Departmental Representative(ld.DR) for the Revenue and perused the records. In this case, ld.CIT(Appeal) had



given six opportunities to the Assessee, but Assessee could not file details, therefore, Id.CIT(Appeal) upheld the assessment order. During the proceedings, Id.AR submitted that Assessee is a Co-operative Credit Society and eligible for deduction u/s.80P of the Act. However, Assessee had obtained a new PAN : AAJAB6297N on March-2022. Therefore, Assessee had not accessed the notices issued by Id.CIT(A) for PAN : AAATB5269Q, which was Assessee's earlier PAN. Therefore, Id.Aurhtorised Representative(Id.AR) submitted that one more opportunity may kindly be provided to the Assessee. Ld.AR further submitted that in assessee's own case for A.Y.2017-18, ITAT in ITA No.332/PUN/2022 had allowed the appeal of the assessee on the issue of eligibility of deduction u/s.80P of the Act. Ld.AR further submitted that therefore Id.CIT(Appeal) should have allowed the appeal of the Assessee for A.Y..2018-19 even in the absence of any submission as Id.CIT(A) have access to earlier years assessee's records.

3. It is observed that Id.CIT(Appeal) had dismissed the appeal of the Assessee, because assessee failed to file any details in reply to



notices. We are convinced that there was sufficient reason for non-compliance.

4. In these facts and circumstances of the case, we set-aside the order of Id.CIT(A) to Id.CIT(A) for denovo adjudication. The Id.CIT(Appeal) shall provide opportunity of hearing to the Assessee. The Assessee shall file necessary documents before the Id.CIT(Appeal). Accordingly, grounds of appeal raised by the Assessee are allowed for statistical purpose.

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

**ITA No.2103/PUN/2025 – Penalty Appeal :**

6. Since we have set-aside the quantum addition to Id.CIT(A) for denovo adjudication in ITA No.2104/PUN/2024 above, therefore, Id.CIT(A) order dated 07.08.2025 emanating from penalty order dated 09.08.2021 is also set-aside to Id.CIT(A) for denovo adjudication. The Id.CIT(Appeal) shall provide opportunity of hearing to the Assessee. The Assessee shall file necessary documents before the Id.CIT(Appeal). Accordingly, grounds of appeal raised by the Assessee are allowed for statistical purpose.



7. In the result, appeal of the Assessee is allowed for statistical purpose.

8. To sum up, both appeals of the Assessee are allowed for statistical purpose.

Order pronounced in the open Court on 24 November, 2025.

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

**Sd/-**  
**Dr.DIPAK P. RIPOTE**  
**ACCOUNTANT MEMBER**

पुणे / Pune; दिनांक / Dated : 24 Nov, 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, "एस एम सी" बेंच, पुणे / DR, ITAT, "SMC" Bench, Pune.
6. गार्डफाइल / Guard File.

आदेशानुसार / BY ORDER,

// / TRUE COPY // /

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