

**IN THE INCOME TAX APPELLATE TRIBUNAL,  
DELHI BENCH: 'E' NEW DELHI**

**BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER  
AND  
SHRI AMITABH SHUKLA, ACCOUNTANT MEMBER**

ITA Nos.4467 & 4468/Del/2024  
Assessment Years: 2016-17 & 2017-18

DCIT, Circle-1, Faridabad	<b>Vs.</b>	The Ballabhgarh Cooperative Milk Producers Union Ltd., Mohna Road, Ballabhgarh, Faridabad
<b>PAN: AAATT7465N</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

Assessee by	None
Department by	Ms. Amish S. Gupt, CIT(DR)

Date of hearing	19.01.2026
Date of pronouncement	19.01.2026

**ORDER**

**PER SATBEER SINGH GODARA, JM**

These Revenue's twin appeals ITA Nos. 4467 & 4468/Del/2024 for assessment years 2016-17 and 2017-18 arise against the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre [in short, the "CIT(A)/NFAC"], Delhi's orders, both dated 31.07.2024, having DINs and orders no. ITBA/NFAC/S/250/2024-25/1067196601(1) and ITBA/NFAC/S/250/2024-25/1067195965(1), involving

proceedings under section 147 r.w.s. 144 of the Income-tax Act, 1961 (hereinafter referred to as 'the Act'), respectively.

Cases called twice. None appears at the assessee's/respondent's behest. It is accordingly proceeded *ex-parte*.

2. Learned CIT(DR) vehemently argues during the course of hearing that the CIT(A)/NFAC herein has erred in law and on facts in reversing the Assessing Officer's identical findings treating the assessee's impugned cash deposits as unexplained; involving varying sums, assessment year-wise; respectively, despite the fact that no explanation, much less a cogent one, had been pleaded and proved during scrutiny.

3. That being the case, the Revenue could hardly dispute that this tribunal's earlier order in its identical appeals ITA Nos. 4524/Del/2024 & 4482/Del/2024 has already upheld the CIT(A)'s corresponding findings deleting such cash deposits additions; reading as under:

*7. At the time of hearing, ld. DR brought to our notice the relevant facts on record and submitted that the assessee has submitted the additional evidences before the ld. CIT (A) and submitted that ld. CIT (A) has allowed the appeal of the assessee merely on the basis of additional evidences, ld. CIT (A) held that the submissions of bank books for different banks are sufficient to establish the identity, genuineness and creditworthiness of the parties without furnishing the*

PAN, address, contact number and individual ledgers accounts etc. Further he objected that the cash deposits made by the assessee were held to be out of cash / cash collected from debtors without verifying actual business model of the assessee whether it has actually supplied the manufactured milk and milk products to distributor or directly to end customers etc.. He objected to the relief granted to the assessee and prayed that the same may be sustained.

8. On the other hand, ld. AR of the assessee brought to our notice relevant material submitted before the ld. CIT (A) and also before the Assessing Officer, no doubt, during remand proceedings, he submitted that the Assessing Officer has not appreciated various documents and evidences submitted during remand proceedings and he heavily relied on the findings of the ld. CIT (A).

9. Considered the rival submissions and material placed on record. We observe that the Assessing Officer noted that assessee has declared the income lesser than the huge cash deposits made during the year. Since assessee has not submitted relevant information before him, he treated the whole cash deposit as income of the assessee u/s 69A of the Act. We observe that assessee is a cooperative society and engaged in the supply of milk and manufacture of milk products. It is controlled by Haryana Dairy Development Cooperative Federation Limited and we further observe that during the year, assessee has registered sales of Rs.175 crores and during the year, it has deposited cash of Rs.127.84 crores. In the preceding assessment year also, society registered sales of Rs.190.75 crores and cash deposited of Rs.110.07 crores. Since it is a cooperative society meant for non-profit and for the purpose of welfare of the society/farmers. During remand proceedings, assessee has submitted various document and also demonstrated that the nature of its business and majority of the sales are carried through by cash. The historical data submitted before us demonstrated that about 70 to 75% of the sales are through cash only and the same are deposited in their bank account. Since assessee has already demonstrated the source of cash deposited in their bank account and also ld. CIT (A) has analysed the facts in this case thoroughly and gave a clear finding that assessee has got source of cash deposits in their bank account, therefore, we do not see any reason to disturb the same. Accordingly, we are inclined to dismiss the grounds raised by the Revenue.

10. In the result, the appeal filed by the Revenue for AY 2015-16 is dismissed.

11. With regard to Assessment Year 2017-18, since the facts are exactly similar to AY 2015-16 our above findings in AY 2015-16 are applicable mutatis mutandis in Assessment Year 2017-18. Accordingly, the appeal filed by the Revenue for AY 2017-18 is dismissed.

12. To sum up: both the appeals filed by the Revenue are dismissed.”

3. There is yet another clinching decisive factor noticed during the course of hearing that the Revenue's latter appeal herein ITA No.4468/Del/2024 appears to be a "duplicate" file as its earlier case ITA No.4482/Del/2024 (AY: 2017-18); rejected accordingly.

4. Both these Revenue's appeals ITA Nos.4467 & 4468/Del/2024 are dismissed.

*Order pronounced in the open court on 19<sup>th</sup> January, 2026*

**Sd/-**  
**(AMITABH SHUKLA)**  
**ACCOUNTANT MEMBER**

**Sd/-**  
**(SATBEER SINGH GODARA)**  
**JUDICIAL MEMBER**

Dated: 21<sup>st</sup> January, 2026.

RK/-

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar, ITAT, New Delhi