

आयकर अपीलीय अधिकरण “SMC” न्यायपीठ मुंबई में।
IN THE INCOME TAX APPELLATE TRIBUNAL “SMC” BENCH, MUMBAI

श्री महावीर सिंह, उपाध्यक्ष के समक्ष ।
BEFORE SRI MAHAVIR SINGH, VICE PRESIDENT

आयकर अपील सं./ ITA No. 1367/Mum/2020
(निर्धारण वर्ष / Assessment Year 2015-16)

Bhandup Industrial Estate Co-op Soc.Ltd. 4094, Bhandup Industrial Estate Co-op Soc.Ltd. LBS Marg, Pannalal Compound, Bhandup(W) Mumbai-400 078	Vs.	The Income Tax Officer Ward-29(1)(2) C-10, 1 st Floor, Room No.103 BKC, Mumbai-400 051
(अपीलार्थी / Appellant)	..	(प्रत्यर्थी / Respondent)
स्थायी लेखा सं./PAN No. AAAAB1446J		

अपीलार्थी की ओर से / Appellant by	:	Shri Aditya Ramchandran,AR
प्रत्यर्थी की ओर से / Respondent by	:	Shri Vaibhav Jain, DR

सुनवाई की तारीख / Date of hearing:	27.10.2021
घोषणा की तारीख / Date of pronouncement :	27 .10.2021

आदेश / ORDER

महावीर सिंह, उपाध्यक्ष के द्वारा /
PER MAHAVIR SINGH, VP:

This appeal of the assessee is arising out of order of the Commissioner of Income Tax (Appeals)-40, Mumbai [in short CIT(A)], in appeal No. CIT(A),Mumbai-40/10203/2017-18 vide dated 05.11.2017. The Assessment was framed by the Income Tax Officer, Ward-29(1)(2) Mumbai (in short ITO/ AO) for the A.Y. 2015-16 vide order dated 05.11.2017 under section 143(3) of the Income-tax Act, 1961 (hereinafter 'the Act').

2. The only issue in this appeal of assessee is against the order of Ld.CIT(A) confirming the action of the AO in disallowing deduction u/s. 80P(2)(d) of the Act on interest received from co-operative bank amounting to



Rs.15,64,523/- and deduction u/s. 80P(2)(c) of the Act amounting to Rs. 50,000/-. For this, assessee has raised following two grounds:-

"1.On the facts and circumstances of the case and in law, the learned CIT(A) -40, Mumbai erred in confirming the action of the Ld. Assessing Officer in disallowing deduction u/s 80P(2)(d) amounting to Rs 15,64,523/-.

2.On the facts and circumstances of the case and in law, the learned CIT(A) - 40, Mumbai erred in confirming the action of the Ld. Assessing Officer in disallowing deduction u/s 80P(2)(c) amounting to Rs 50.000/-."

3. Brief facts are that the assessee is a co-operative society registered under Maharashtra Co-operative Societies Act, 1962. The Society is engaged in accepting deposits and providing credit facility to the members of the society and earned income mainly from interest on loan provided to its members and partly deposits in co-operative banks, which are claimed as exempt u/s. 80P(2)(d) of the Act. The AO treated entire income as taxable and disallowed the claim of deduction u/s. 80P(2)(d) and 80P(2)(c). Aggrieved assessee preferred appeal before CIT(A). The Ld.CIT(A) also confirmed the action. Aggrieved assessee came in appeal before the Tribunal. I have heard rival contentions and gone through facts and circumstances of the case. I noted that assessee has earned income from saving bank account and fixed deposit bank account maintained and investment in co-operative bank amounting to Rs. 15,64,523/- and claimed deduction u/s. 80P(2)(d). The assessee is a co-operative society i.e Bhandup Industrial Estate Co—op Society Ltd. and has invested the funds in co-operative bank, these



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facts are undisputed. Once, the funds are deposited in co-operative bank, assessee being a co-operative society is entitled for deduction u/s. 80P(2)(d) of the Act and accordingly, I allow the claim of the assessee, the AO is directed accordingly.

4. As regards to the claim u/s. 80P(2)(c), the assessee being a co-operative society exactly falling under section 80P(2)(c) is eligible for the claim for an amount of Rs.50,000/-. I allowed the claim of the assessee.

5. In the Result, the appeal of assessee is allowed.

Order pronounced in the open court on 27.10.2021.

Sd/-
(महावीर सिंह /MAHAVIR SINGH)
(उपाध्यक्ष / VICE PRESIDENT)

मुंबई, दिनांक/ Mumbai, Dated: 27 .10.2021
Kasarla Thirumalesh, Sr.PS

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

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. आयकर आयुक्त (अपील) / The CIT(A)
4. आयकर आयुक्त / CIT
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, मुंबई / DR, ITAT, Mumbai
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

सत्यापित प्रति //True Copy//

उप/सहायक पंजीकार (Asth. Registrar)/ व.निजी सचिव
(Sr.PS)
आयकर अपीलीय अधिकरण, मुंबई / ITAT, Mumbai