

आयकर अपीलीय अधिकरण, कोचीन पीठ, कोचीन में।
IN THE INCOME TAX APPELLATE TRIBUNAL
COCHIN BENCH, COCHIN

माननीय श्री सतबीर सिंह गोदारा, न्यायिक सदस्य एवं
माननीय श्री मनोज कुमार अग्रवाल, लेखा सदस्य के समक्ष।
BEFORE HON'BLE SHRI SATBEER SINGH GODARA, J.M
AND
HON'BLE SHRI MANOJ KUMAR AGGARWAL, A.M

आयकर अपील सं./ ITA No.102/Coch/2022
(निर्धारण वर्ष / Assessment Year: 2017-18)

Calicut City Service Cooperative Bank Ltd. 19/1180-B, City Bank Building, Challapuram, Calicut-673 002.	बनाम/ Vs.	ITO Ward-1(1), Kozhikode.
स्थायी लेखा सं./जीआइ आर सं./PAN/GIR No. AABAC-7863-M		
(पीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थी की ओरसे/ Appellant by	:	None
प्रत्यर्थी की ओरसे/ Respondent by	:	Shri M. Rajasekhar (CIT) – Ld. DR

सुनवाई की तारीख/ Date of Hearing	:	10-11-2022
घोषणा की तारीख / Date of Pronouncement	:	30-11-2022

आदेश / O R D E R

Manoj Kumar Aggarwal (Accountant Member)

1. Aforesaid appeal by assessee for Assessment Year (AY) 2017-18 arises out of revisional order passed by learned Principal Commissioner of Income Tax, Kozhikode [Pr.CIT] on 22-02-2022 u/s 263 in the matter of an assessment framed by Ld. Assessing Officer [AO] u/s.143(3) of the Act on 23-12-2019. In this appeal, the assessee challenges the validity of jurisdiction of revisional authority as exercised u/s 263. At the time of hearing, none appeared for assessee and

accordingly, the hearing was proceeded with the able assistance of Ld. CIT-DR who pleaded for dismissal of the appeal.

2. From the record, it could be seen that the assessee is registered under Kerala Cooperative Societies Act having banking as its principal business. The assessee claimed deduction u/s 80P for Rs.322.33 Lacs on the ground that it was primary agricultural society. However, Ld. AO rejected the claim of the assessee and denied the said deduction and assessed the income at Rs.322.33 Lacs.

3. Subsequently, Ld. Pr. CIT, upon perusal of case record, sought revision of the order on the ground that various provisions aggregating to Rs.1652.93 Lacs were not added by Ld. AO while framing the assessment. The same were in the nature of contingent liability and not allowable. Accordingly, Ld. AO was directed to verify the stated issue in the light of decision of Hon'ble Supreme Court in the case of **The Mavilayi Service Cooperative Bank Ltd. (431 ITR 1)**. Aggrieved, the assessee is in further appeal before us.

4. Upon perusal of record, the undisputed position that emerges is that the issue flagged by revisional authority was not verified by Ld. AO during the course of assessment proceedings. The Ld. AO has relied upon the decision of Hon'ble High Court of Kerala in **The Mavilayi Service Cooperative Bank Ltd.** which has since been reversed by Hon'ble Supreme Court. The Ld. Pr. CIT has directed Ld. AO to consider the issue of verification of provisions in the light of the decision of Hon'ble Supreme Court which is quite apt and could not be faulted with. Therefore, since it is the case of no enquiry by Ld. AO on the issues flagged by Ld. Pr. CIT, no fault could be found in the impugned order. The assessee is free to advance all the arguments in

support of its claim u/s 80P(2)(a)(i). Our adjudication would not be construed as any reflection on the merits of the case. We order so.

5. The appeal stands dismissed.

Order pronounced on 30th November, 2022.

Sd/-
(SATBEER SINGH GODARA)
न्यायिक सदस्य / JUDICIAL MEMBER

Sd/-
(MANOJ KUMAR AGGARWAL)
लेखक सदस्य / ACCOUNTANT MEMBER

दिनांक / Dated : 30-11-2022
EDN/-

Copy to:

1. *The Appellant*
2. *The Respondent*
3. *The CIT(A) -NFAC, Delhi*
4. *The CIT -*
5. *The DR, ITAT, Cochin*
6. *Guard File*