

**IN THE INCOME TAX APPELLATE TRIBUNAL,
PUNE BENCH "SMC", PUNE**

BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA No.429/PUN/2023

निर्धारण वर्ष / Assessment Year : 2019-20

Shailendra Co-operative Housing Society Ltd.
986/28 to 33, opposite Ratna Memorial Hospital,
Senapati Bapat Road, Shivaji Nagar,
Pune - 411016

PAN: AACAS0191H

.....अपीलार्थी / Appellant

बनाम / V/s.

The Income Tax Officer,
Ward 3(1), Pune

.....प्रत्यर्थी / Respondent

Assessee by : Shri Sarang Gudhate
Revenue by : Shri Ganesh Rath, JCIT

सुनवाई की तारीख / Date of Hearing : 31-05-2023

घोषणा की तारीख / Date of Pronouncement : 31-05-2023

आदेश / ORDER

PER INTURI RAMA RAO, AM:

This is an appeal filed by the assessee directed against the order of National Faceless Appeal Centre (NFAC), Delhi dated 20.02.2023 passed u/s 250 of the Income-tax Act, 1961 (hereinafter referred to as 'the Act').

2. Briefly, the facts of the case are as under:

The appellant is a Co-operative society registered under the Maharashtra Co-operative Societies Act. The return of income for the assessment year 2019-20 was filed on 27.09.2019 declaring nil income. The said return of income was processed u/s 143(1) of the Act at a total income of Rs.2,32,430/- vide intimation dated 16.04.2020 denying exemption u/s 80P of the Act.

3. On receipt of said intimation, a rectification petition was filed on 01.10.2020 requesting the CPC to rectify the said intimation. The CPC vide order dated 08.10.2020 allowed the exemption u/s 80P of the Act, however, denied the threshold exemption limit of Rs.50,000/-. Being aggrieved by the Rectification order, an appeal was filed before the CIT(A), who vide impugned order while granting threshold exemption limit of Rs.50,000/-, enhanced the taxable income by holding that the interest income earned on fixed deposits with the Co-operative banks and interest on savings bank does not qualify for exemption u/s 80P(d) of the Act.

4. Being aggrieved by the decision of CIT(A), the appellant is in appeal before this Tribunal.

5. I have heard the rival contentions and perused the material available on record. The issue in the present appeal is no longer *res integra* as the same is covered by the decision of the Tribunal in Vaibhav Nagari Sahakari Pat Sanstha Maryadit vs. ITO (ITA No.280/PUN/2023) for A.Y. 2018-19, order dated 26.04.2013. The relevant findings of the Tribunal are as under:

“4. I have heard the rival submissions and gone through the relevant material on record. It is seen that the question is of granting deduction u/s 80P of the Act on interest income earned from various cooperative banks. The extant issue is no more res integra in view of the catena of decisions delivered by the Pune Benches. The Pune Bench in Rena Sahakari Sakhar Karkhana Ltd. Vs. Pr.CIT (ITA No.1249/PUN/2018) has held, vide its order dated 07-01-2022, that though co-operative banks, other than primary agricultural credit society or a primary co-operative agricultural and rural development bank, are not eligible for deduction pursuant to insertion of section 80P(4) w.e.f. 1.4.2007, but this provision does not dent the otherwise eligibility u/s 80P(2)(d) of the Act of a co-operative society on interest income on investments/deposits parked with a co-operative bank, which is a registered co-operative society as per section 2(19) of the Act, defining co-operative society to mean a co-operative society registered under the Co-operative Societies Act, 1912 or under any law for the time being in force. The payer of interest is also a Co-operative society registered under the Cooperative Societies Act. Respectfully following the decision of the Division Bench, I overturn the impugned order and direct to grant deduction u/s.80P(2)(d) of the Act on the amount of interest earned from various cooperative banks.”

6. Respectfully following the decision of this Tribunal (supra), I hold that the interest income earned on fixed deposits with other co-operative banks qualifies for exemption u/s 80P(2)(d) of the Act. Accordingly, I direct the CPC to rectify the intimation and allow the exemption u/s 80P(2)(d) of the Act. Thus, the grounds of appeal raised by the assessee are allowed.

7. In the result, the appeal filed by the assessee is allowed.

Order pronounced in the open court on 31st May, 2023.

Sd/-
INTURI RAMA RAO
ACCOUNTANT MEMBER

पुणे / Pune; दिनांक / Dated : 31st May, 2023

GCVSR

आदेश की प्रतिलिपि अद्येषित/Copy of the Order is forwarded to :

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The Respondent;
3. The concerned Pr.CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, पुणे "SMC" / DR 'SMC', ITAT, Pune;
5. गार्ड फाईल / Guard file.

आदेशानुसार / BY ORDER,

//सत्यापित प्रति// True Copy//

वरिष्ठ निजी सचिव / Sr. Private Secretary
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune