

IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE 'A' BENCH, PUNE

BEFORE SHRI R.S. SYAL, VICE PRESIDENT AND  
SHRI PARTHA SARATHI CHAUDHURY, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.542/PUN/2023  
निर्धारण वर्ष / Assessment Year : 2018-19

Jaihind Nagari Sahakari Patsanstha Maryadit, Narayangaon, Tal- Junnar, Dist. – Pune.  PAN : AAAAJ 2456 Q	Vs.	Pr.CIT, Pune-3.
Appellant		Respondent

Assessee by Shri Pramod S. Shingte, CA  
Revenue by Shri Keyur Patel, CIT-DR

Date of hearing 31-05-2023  
Date of pronouncement 06-06-2023

आदेश / ORDER

Per PARTHA SARATHI CHAUDHURY, JM:

This appeal by the assessee is directed against the order dated 14-03-2023 passed by the Pr.CIT in National Faceless Appeal Centre (NFAC) u/s.263 of the Income-tax Act, 1961 (hereinafter also called 'the Act') in relation to the assessment year 2018-19.

2. Succinctly, the facts of the case are that the assessee filed its return claiming deduction u/s.80P in respect of interest income earned from the deposits kept with Cooperative Banks,

which was allowed by the AO. The ld. PCIT invoked the jurisdiction u/s 263 of the Act and disputed the allowability of the claim of deduction either u/s.80P(2)(a)(i) or u/s.80P(2)(d). Aggrieved thereby, the assessee has come up in appeal before the Tribunal.

3. We have heard the rival submissions and gone through the relevant material on record. The ld. PCIT has held that the assessment order to be erroneous and prejudicial to the interest of the Revenue only on the ground that the claim of deduction u/s.80P on the interest income was not in order. In this regard, it is observed 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. Similar view has been taken by the Pune Benches of the Tribunal in several cases

including *The Sesa Goa Employees Coop. Credit Society Ltd.*

*Vs. ACIT (ITA No.203/PUN/2019, order dated 16-11-2022).*

4. In view of the foregoing discussion, we hold that the impugned order cannot be sustained. The same is, therefore, overturned.

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

Order pronounced in the Open Court on 06<sup>th</sup> June, 2023.

Sd/-  
(R.S.SYAL)  
VICE PRESIDENT

Sd/-  
(PARTHA SARATHI CHAUDHURY)  
JUDICIAL MEMBER

पुणे Pune; दिनांक Dated : 06<sup>th</sup> June, 2023

vr/-

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

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The respondent
3. The Pr.CIT concerned
4. DR, ITAT, 'A' Bench, Pune
5. गार्ड फाईल / Guard file.

**आदेशानुसार/ BY ORDER,**

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