

IN THE INCOME TAX APPELLATE TRIBUNAL

PANAJI BENCH : PANAJI

(THROUGH VIRTUAL HEARING)

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND

SHRI G.D. PADMAHSHALI, ACCOUNTANT MEMBER

ITA.Nos.228 & 214/PAN./2019

Assessment years 2015-2016 & 2016-2017

Grameena Vyvasaya Sahakari Bank Limited, Post Jali, Bhatkal Uttara Kannada District. State of Karnataka. PIN – 581 320 PAN AAJG0053F	vs.	The Income Tax Officer, Ward-1, Karwar, State of Karnataka. PIN – 581 301
(Appellant)		(Respondent)

For Assessee :	-None-
For Revenue :	Shri N. Shrikanth

Date of Hearing :	12.07.2023
Date of Pronouncement :	19.07.2023

ORDER

PER BENCH :

These assessee's twin appeals ITA.Nos.228 & 214/PAN./2019, for assessment years 2015-2016 & 2016-2017, arise against the CIT(A), Mangaluru's separate orders passed in case no.10423/MNG/CIT(A)MNG/17-18 and in case no.10423/MNG/CIT(A)MNG/18-19, dated 19.03.2019 and 08.03.2019, respectively, involving proceedings u/sec.143(3) of the Income Tax Act, 1961 (in short "the Act").

Heard both the parties. Case files perused.

2. We note during the course of hearing that there is hardly much a need for us to delve deeper in the relevant factual matrix so far as the assessee's identical sole substantive grievance herein seeking to delete sec.80P(2)(a)(i) deduction disallowance(s) of Rs.1,31,29,258/- and Rs.62,99,798/-, assessment year-wise, respectively, is concerned. This is for the precise reason that both the learned lower authorities are of the view that the assessee is not eligible to claim the same in light of having both regular as well as nominal members as per hon'ble apex court's judgment in Citizen Co-operative Society Limited [2017] 397 ITR 1 (SC).

3. Learned DR also vehemently relied on both the authorities impugned sole reason for denying sec.80P(2)(a)(i) deduction to the assessee. He could hardly dispute that their lordships' subsequent landmark decision in Mavilayi Service Co-operative Bank Ltd., vs. CIT [2021] 431 ITR 1 (SC) has settled the law that such a reason of an assessee having nominal members as well would hardly disentitle it for the impugned sec.80P(2)(a)(i) deduction. Faced with the situation, we accept the assessee's instant identical sole substantive ground in both the appeals in very terms. Ordered accordingly.

4. These twin appeals of the assessee are allowed in above terms.

Order pronounced in the open court on 19.07.2023.

Sd/-
[G.D. PADMAHSHALI]
ACCOUNTANT MEMBER

Sd/-
[SATBEER SINGH GODARA]
JUDICIAL MEMBER

Pune, Dated 19th July, 2023

VBP/-

Copy to

1.	The appellant
2.	The respondent
3.	The CIT(A), Mangaluru
4.	Pr. CIT, Mangaluru
5.	D.R. ITAT, Panaji Bench, Panaji.
6.	Guard File.

//By Order//

Assistant Registrar, ITAT, Pune Benches,
Pune.