

IN THE INCOME TAX APPELLATE TRIBUNAL
PANAJI BENCH :: PANAJI

BEFORE SHRI PARTHA SARATHI CHAUDHURY, JUDICIAL MEMBER &
SHRI G.D. PADMAHSHALI, ACCOUNTANT MEMBER
(Through virtual hearing)

S.A.No. 06/PAN/2023

And

ITA No.77/PAN/2023
(A.Y. 2018-19)

Shri Shivashankar Urban Co-operative Credit Society Ltd., A/P Khanagaon, Tq. Gokak, Dist. Belagavi. PAN: AAAAS 7264 D	Vs	ITO, Ward-1, Gokak.
Appellant		Respondent

Assessee by	:	Shri Saidappa Gadadi, CA
Revenue by	:	Shri N. Shrikanth, DR
Date of hearing	:	14/08/2023
Date of pronouncement	:	21/08/2023

O R D E R

Per PARTHA SARATHI CHAUDHURY, JM:

The stay application and the appeal preferred by the assessee emanates from the order of National Faceless Appeal Centre [NFAC], Delhi, dated 21.02.2023 for A.Y.2018-19 as per the grounds of appeal on record.

2. At the time of hearing, Id.AR submits that he wants to withdraw the stay application. Ld.DR has not raised any objection. Therefore, the stay application filed by the assessee is dismissed as withdrawn.

3. Now we shall adjudicate the appeal filed by the assessee.

4. Brief facts of the case are that assessee is a co-operative society, filed its return of income for the A.Y. 2018-19. The assessment order u/sec. 143(3) r.w.s. 143(3A) & 143(3B) was passed on 15/03/2021 by treating the sum of Rs. 40,31,848/- representing interest received on bank deposits as not eligible for claim of deduction u/sec. 80P. Against the assessment order, the assessee filed application for rectification and requested for allowing deduction of proportionate expenses against such income which was treated as ineligible for claim of deduction u/sec. 80P. The AO accepted the contention of the assessee and accordingly proportionate deduction by way of expenses for earning income was worked out. Aggrieved by the order of the AO, assessee filed the appeal before the NFAC. The NFAC while adjudicating the appeal has observed that assessee had made a request for rectification stating that they had during the course of assessment proceedings, made a request for allowing deduction of proportionate expenses against such income which was to be treated as ineligible for claim of deduction u/sec. 80P. NFAC held that the AO had already allowed deduction u/sec. 80P for proportionate expenses as per the order u/sec. 154 of the Act. NFAC further held that assessee cannot make any further claim during the appellate proceeding which was not raised before the AO during the proceedings u/sec. 154 of the Act. Therefore, NFAC dismissed the appeal of the

assessee. We do not find any infirmity with the findings of the NFAC, which is hereby upheld and the grounds of appeal raised by the assessee are dismissed.

5. In the result, stay application and the appeal filed by the assessee are dismissed.

Order pronounced in open Court on 21st August, 2023.

Sd/-
(G.D. PADMAHALI)
ACCOUNTANT MEMBER

Sd/-
(PARTHA SARATHI CHAUDHURY)
JUDICIAL MEMBER

Dated : 21st August, 2023

vr/-

Copy to :

1. The Appellant.
2. The Respondent.
3. The Pr. CIT concerned.
5. The DR, ITAT, Panaji Bench, Panaji.
6. Guard File.

By Order

// TRUE COPY //

Senior Private Secretary
ITAT, Pune.