

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

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

ITA No.712/PUN/2023
Assessment Year : 2017-18

Solapur DCC Bank Employees Cooperative Society Limited, 46, Vistarit Imarat, Yogeshwar Complex, Solapur Zilla Madhyawart Bank, Navi Peth, Solapur Dist. Solapur – 413 401 Maharashtra PAN : AABAS9454N	Vs.	Pr.CIT-4, Pune
Appellant		Respondent

Assessee by Shri Piyush Bafna
Revenue by Shri Ajay Kumar Kesari

Date of hearing 22-08-2023
Date of pronouncement 23-08-2023

आदेश / ORDER

PER R.S. SYAL, VP :

This appeal by the assessee is directed against the order dt. 23-03-2022 passed by the Pr.CIT, Pune-4 u/s.263 of the Income-tax Act, 1961 (hereinafter also called 'the Act') in relation to the assessment year 2017-18.

2. The appeal is time barred by 390 days. The assessee has filed an affidavit explaining the reasons for the delay. We are satisfied with the reasons. The delay in filing the appeal is, therefore, condoned and the appeal is admitted for disposal on merits.

3. 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/Societies, which was allowed by the AO. The Id. PCIT invoked the jurisdiction u/s 263 of the Act and held the assessment order to be erroneous and prejudicial to the interest of the revenue on account of allowing the deduction either u/s.80P(2)(a)(i) or u/s.80P(2)(d) in respect of such interest income. Aggrieved thereby, the assessee has come up in appeal before the Tribunal.

4. We have heard the rival submissions and gone through the relevant material on record. The Id. PCIT has held 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)*.

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

6. In the result, the appeal is allowed.

Order pronounced in the Open Court on 23rd August, 2023.

Sd/-
(PARTHA SARATHI CHAUDHURY)
JUDICIAL MEMBER

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

पुणे Pune; दिनांक Dated : 23rd August, 2023
सतीश

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

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The respondent
3. DR, ITAT, 'B' Bench, Pune
4. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

// True Copy //

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

		Date	
1.	Draft dictated on	22-08-2023	Sr.PS
2.	Draft placed before author	23-08-2023	Sr.PS
3.	Draft proposed & placed before the second member		JM
4.	Draft discussed/approved by Second Member.		JM
5.	Approved Draft comes to the Sr.PS/PS		Sr.PS
6.	Kept for pronouncement on		Sr.PS
7.	Date of uploading order		Sr.PS
8.	File sent to the Bench Clerk		Sr.PS
9.	Date on which file goes to the Head Clerk		
10.	Date on which file goes to the A.R.		
11.	Date of dispatch of Order.		

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