

**IN THE INCOME TAX APPELLATE TRIBUNAL  
COCHIN BENCH, COCHIN**

Before Shri Sanjay Arora, Accountant Member and  
Ms. Kavitha Rajagopal, Judicial Member

**ITA No. 339/Coch/2023**  
(Assessment Year: 2019-20)

Kumarakom Vadakkumbhagom Service Co-op. Bank Ltd. Kumrakom Kottayam 686563 [PAN:AAAAT5887H]	vs.	Income Tax Officer Ward -2, Kollam
(Appellant)		(Respondent)

Appellant by:	Shri V. Devananada Narasimham, Advocate
Respondent by:	Smt. J.M. Jamuna Devi, Sr. D.R.

Date of Hearing:	12.02.2024
Date of Pronouncement:	12.02.2024

**ORDER**

Per Bench

This is an Appeal by the Assessee directed against the Order dated 28.03.2023 by the Commissioner of Income Tax (Appeals), Income Tax Department, dismissing the assessee's appeal contesting the denial of deduction under section 80P of the Income-tax Act, 1961 ('the Act') on processing of its return of income for assessment year (AY) 2019-2020 vide Intimation u/s. 143(1) dated 03.01.2021.

2. The denial of deduction u/s.80P in the instant case has been on account of application of s.80AC of the Act, which, with effect from 01.04.2018, bars the claim of deduction, *inter alia*, under any provision falling under Chapter VI-A (Part-C), where not made per a return filed within the time specified u/s.139(1). The return in the instant case has been admittedly filed on 25/06/2020, i.e., beyond the extended period of time allowed for filing the original return, i.e., 31.10.2019. The claim

u/s.80P, made at Rs.1,15,39,290, was accordingly disallowed vide Intimation u/s.143(1), raising a demand for Rs.54,10,374.

3. The issue before us is the maintainability of the Revenue's action in denying the assessee its claim for deduction u/s.80P on processing u/s. 143(1)(a). This Tribunal has, vide a detailed order in *Kollad Service Co-operative Bank Ltd. & Ors. v. ITO*(in ITA No.95/Coch/2023, dated 25.9.2023), found the adjustment u/s.143(1)(a)(ii), which has been applied in the instant case as well, as not maintainable, as indeed u/s. 143(1)(a)(v) where the same is prior to 01.04.2021, i.e., the date on which the corresponding amendment, with reference to sec.80AC, stands made thereto. As explained therein, the adjustment is outside the scope of s. 143(1)(a)(ii), while that u/s. 143(1)(a)(v) could not be given effect to prior to 01/4/2021, as obtains in the instant case.

4. No contrary argument stands advanced, or decision relied upon by the Revenue; that cited by it in *Kollad SCB Ltd.* (supra) found distinguishable. The said order has in fact been followed by this Bench of the Tribunal in other appeals as well, going to the extent of stating it to be a mistake, as in *Mavelikara Aided School Employee's Cooperative Society Ltd. v. ITO* (ITA No. 974/Coch/2022, dated 9/10/2023). The decision is supported by orders by other Benches as well.

5. In view of the foregoing, we find no reason for sustaining the impugned disallowance. We direct accordingly, and the assessee succeeds.

6. In the result, the assessee's appeal is allowed.

*Order pronounced in the open court on the conclusion of the hearing.*

Sd/-  
(Kavitha Rajagopal)  
Judicial Member

Sd/-  
(Sanjay Arora)  
Accountant Member

Cochin, Dated: February 12, 2024

n.p.

Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

By Order

Assistant Registrar  
ITAT, Cochin