

आयकर अपीलीय अधिकरण, बी न्यायपीठ,चेन्नई
IN THE INCOME TAX APPELLATE TRIBUNAL, 'B' (SMC) BENCH : CHENNAI

श्री महावीर सिंह, उपाध्यक्ष के समक्ष
BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT

आयकर अपील सं./I.T.A. No.1554/CHNY/2023
निर्धारण वर्ष/Assessment year : 2021-2022.

M/s. Vellakovil Co-operative
Primary Agricultural and Rural
Development Bank Ltd,
Vellakovi Cpard Bank Ltd,
Erode 638 111.

Vs. The Income Tax Officer,
Ward No.68, Chennai.

[PAN AAAAV 2121Q]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by

: None

प्रत्यर्थी की ओर से /Respondent by

: Shri D. Hema Bhupal, IRS, JCIT.

सुनवाई की तारीख/Date of Hearing

: 22.02.2024

घोषणा की तारीख /Date of Pronouncement

: 22.02.2024

आदेश/ ORDER

This appeal by assessee is arising out of the order of the Additional/Joint Commissioner of Income Tax (Appeals)-5, Office of the Commissioner of Income Tax (Appeal), Kolkata in Order No.ITBA/APL/S/250/2023-24/1058267354 (1), dated 28.11.2023. The assessment was framed by the ADIT, CPC, Bengaluru for the assessment year 2021-2022, passed u/s. 143(1) of the Income Tax Act, 1961 (in short 'the Act') vide order dated 28.11.2023.

2. The only issue in this appeal of assessee is with regard to order of the Id.CIT(A) confirming the action of the Id. Assessing Officer in disallowing the claim of deduction u/s.80P(2) (d) of the Act in regard to interest received from Erode District Central Cooperative Bank. For this, assessee has raised various grounds, which are argumentative and factual and need not be reproduced.

3. The brief facts of the case are that the Id. Assessing Officer noted that assessee is a Co-operative Society filed its return of income declaring Nil income on 08.01.2022 after claiming deduction u/s.80P of the Act to the tune of Rs.18,74,921/-. Out of which Rs.13,67,760/- was allowed u/s.80P(2)(a) (i) of the Act by the Centralized Processing Center, Bengaluru, whereas Rs.5,07,161/- received as interest on investments from Erode District Central Cooperative Bank was disallowed u/s. 80P(2)(d) of the Act. Aggrieved, assessee preferred an appeal before the Id. Commissioner of Income Tax (Appeals).

4. The Id. Commissioner of Income Tax (Appeals) confirmed the action of the Id. Assessing Officer. Aggrieved, assessee preferred an appeal before the Tribunal.

5. Before me, none is present from assessee's side. I have heard Id. Senior DR and gone through facts and circumstances of the case.

6. Admittedly, the assessee is a Cooperative Society, registered under the Tamil Nadu Cooperative Societies Act, 1983. Assessee received Rs.5,07,161/- as interest on investments from Erode District Central Cooperative Bank. Erode District Central Cooperative Bank is registered under Tamil Nadu State Co-operative Act and once it is registered under Tamil Nadu State Co-operative Act assessee is as such eligible for deduction. Since the assessee is a Co-operative Society and it has received dividend from Erode District Central Cooperative Bank the same is eligible for claim of deduction in view of the decision of the Hon'ble Supreme Court in the case of *Mavilayi Service Co-operative Bank Ltd., & Ors. Vs. CIT, 123 Taxmann.com 161 (SC)*. Similar view has been taken by the Tribunal in the case of *Tamilnadu Co-operative State Agriculture and Rural Development Bank Limited in ITA Nos.31 to 33/CHNY/2021 vide order dated 29.04.2022* following the decision of Hon'ble Supreme Court in the case of *Mavilayi Service Co-operative Bank Ltd., supra and the Hon'ble Madras High Court in the case S-1308, Ammapet Primary Agricultural Co-operative Bank Ltd.,in T.C.A Nos.882 and 891 of 2018*. Respectfully

following the same, I allow the claim of deduction u/s.80P(2)(d) of the Act. Accordingly, the appeal of the assessee is allowed.

7. In the result, the appeal of the assessee in ITA No.1554/Chny/2023 for assessment year 2021-2022 stands allowed

Order pronounced in the open court at the time of hearing on 22nd day of February, 2024, at Chennai.

Sd/-
(महावीरसिंह)
(MAHAVIR SINGH)
उपाध्यक्ष/VICE PRESIDENT

चेन्नई/Chennai

दिनांक/Dated:22.02.2024.

KV

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF

