

IN आयकर अपीलीय अधिकरण 'सी' न्यायपीठ चेन्नई में।
IN THE INCOME TAX APPELLATE TRIBUNAL
'C' BENCH, CHENNAI

मजनीय श्री मनोज कुमार अग्रवाल, लेखक सदस्य एवं
मजनीय श्री मनु कुमार गिरि, न्यायिक सदस्य के समक्ष।
BEFORE HON'BLE SHRI MANOJ KUMAR AGGARWAL, AM
AND HON'BLE SHRI MANU KUMAR GIRI, JM

आयकर अपील सं. ITA No.191/Chny/2024
(निर्धारण वर्ष / Assessment Year: 2021-22)

CP155 TPR CTO EMP AND TPR CORP PANEL MID SCHOOL TEACHER COOP THRIFT AND CREDIT SOCIETY Angeripalayam Main Road, Gandhi Nagar PO Near Bishop School, Tiruppur-641 603.	बनाम/ Vs.	ITO CHE-W-(68)(12) Ward-1(2), Tiruppur.
स्थायी लेखा सं./जीआइआर सं./PAN/GIR No. AAALC-1512-B		
(अपीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थी की ओर से/ Appellant by	:	None
प्रत्यर्थी की ओर से/ Respondent by	:	Shri P. Sajit Kumar (JCIT)-Ld. Sr. DR

सुनवाई की तारीख/ Date of Hearing	:	17-04-2024
घोषणा की तारीख / Date of Pronouncement	:	17-04-2024

आदेश / ORDER

Manoj Kumar Aggarwal (Accountant Member)

1. Aforesaid appeal by assessee for Assessment Year (AY) 2021-22 arises out of the order of learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi [CIT(A)] dated 24-11-2023 in the matter of an intimation issued by CPC u/s 143(1) of the Act on 19-10-2022. In the intimation, the assessee was denied deduction u/s 80P(2)(d) for Rs.18.91 Lacs. The same represent

interest earned by the assessee from investment made in cooperative banks. The Ld. CIT(A) confirmed the disallowance on the ground that deduction could be allowed only against interest earned from co-operative societies and not against co-operative banks. Aggrieved, the assessee is in further appeal before us.

2. At the time of hearing, none appeared for assessee. The Ld. Sr. DR pleaded for dismissal of the appeal.

3. We find that this issue is covered in assessee's favor by the decision of this Tribunal in **Varathappam Palayam Primary Agricultural Co-op. Credit Society Vs. ITO (ITA No.282/Chny/2021 dated 29.06.2022)** wherein the bench by following decision of the Hon'ble High Court of Madras in the case of **The Salem Agricultural Producers Co-operative Marketing Society Ltd. Vs ITO in TCA No.5 of 2015 dated 10.08.2016** held that interest earned on deposits with District Central Co-operative Banks is assessable under the head 'business income' of the co-operative society and consequently, benefit of section 80P(2)(d) is available on interest income. Respectfully following the same, we direct Ld. AO to verify the claim of the assessee that the interest was earned from co-operative banks who are registered as co-operative societies and allow the impugned deduction, if found correct.

4. The appeal stands allowed for statistical purposes.

Order pronounced in open court on 17th April, 2024.

Sd/-
(MANU KUMAR GIRI)
न्यायिक सदस्य / JUDICIAL MEMBER

Sd/-
(MANOJ KUMAR AGGARWAL)
लेखक सदस्य / ACCOUNTANT MEMBER

चेन्नई Chennai; दिनांक Dated : 17-04-2024
DS

आदेशकीप्रतिलिपिअग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF