IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE "A" BENCH : PUNE : **[**HYBRID HEARING**]**

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI GD PADMAHSHALI, , ACCOUNTANT MEMBER

I.T.A.No.252/PUN./2024 [E-APPEAL]
Assessment Year 2017-2018

The Income Tax Officer, Ward-10(1), Pratyakshakar Bhavan, Near Akurdi Railway Station, Pune – 411 044. Maharashtra.	vs.	M/s. Shri Bhairavnath Gramin Bigarsheti Sahakari Patsanstha Maryadit, At Post Landewadi, Chinchwadi, Tal-Ambegaon, Pune – 410 503. Maharashtra.
(Appellant)		(Respondent)

For Revenue :	Shri Ramnath P. Murkunde
For Assessee :	-None-

Date of Hearing :	27.05.2024
Date of Pronouncement :	28.05.2024

ORDER

PER SATBEER SINGH GODARA, J.M. :

This Revenue's appeal for assessment years 2017-2018, arise against the National Faceless Appeal Centre [in short the "NFAC"] Delhi's Din and Order No. ITBA/NFAC/S/250/2023-24/1058737691(1), dated 13.12.2023, involving proceedings u/s.143(3) of the Income Tax Act, 1961 (in short "the Act").

Heard learned DR. Case file perused.

2. The Revenue pleads the following substantive grounds in the instant appeal :

1. On the facts and circumstances of the case and in law, the learned CIT(A) has erred in deleting the disallowance made by the Assessing Officer of the deduction of Rs. 1,66,51,444/- claimed under section 80P of the Income-tax Act, 1961 being interest earned from the investments with co-operative banks, ignoring the decision of the Hon'ble Supreme Court in the case of Totgars Co-operative Sales Society Ltd. Vs. ITO, (SC) (322 ITR 283)(2010) wherein the Hon'ble Court clearly held that the interest income which has been earned by a co-operative society by investing surplus funds would come in the category of 'Income from other sources' taxable u/s 56 of the Act and would not qualify for deduction as business income u/s 80P(2)(a)(i) of the Act.

2. On the facts and circumstances of the case and in law, the learned CIT(A) erred in holding that interest earned by the assessee on its surplus investments with co-operative banks is eligible for deduction u/s.80P(2)(d) of the Income Tax Act, 1961 despite the fact that the provisions of Sec.80P(4) of the Act specifically provides that the provisions of Sec.80P shall not apply in relation to a cooperative bank and therefore, the benefit of deduction under the said provisions could not have been extended to interest received on deposits kept such cooperative banks.

3. On the facts and circumstances of the case and in law, the learned CIT(A) erred in not giving due consideration to the decision of the Hon'ble Karnataka High Court in the case of Pr. Commissioner of Income Tax vs. Totagars Cooperative Sale Society (2017). (395 ITR 611 Kar 2017), wherein, based on the decision of the Hon'ble Apex Court in the case of Totgars Co-operative Sales Society Ltd. Vs. ITO, (SC) (322 ITR 283)(2010), it was held that a co-operative society would not be eligible for deduction u/s 80P(2)(d) on the interest income earned by it on account of deposit of its surplus funds in a co-operative bank.

4. On the facts and circumstances of the case and in law, the learned CIT(A) erred in placing reliance on the decision of the Hon'ble Supreme Court in the case of Mavilayi Service Co-operative Bank Ltd. vs. CIT ([2021] 123 taxmann.com 161 (SC), without appreciating that in the said case, the issue involved was whether a primary agricultural coop society was entitled deduction under section 80P(2)(a)(i) notwithstanding that it was also giving loans to its members which were not related to agriculture, in terms of Sec.80P(4) of the Act.

5. The appellant craves leave to add, amend, or alter any ground(s) of appeal at the time of hearing before the Hon'ble Tribunal.

3. Mr. Murkunde invited our attention to the NFAC's detailed discussion accepting the assessee's sec.80P(2)(a)(i) deduction claim reading as under :

Decision

3. Grounds No.1 to 3: I have examined the facts of this case. The activities mentioned in Section 80P(2)(a)(i) are 'a co-operative society engaged in carrying on business of banking or providing credit facilities to its members'. As per section 80P(4), the provisions of section 80P shall not apply in relation to any co-operative bank. Therefore, even after the insertion of Sec. 80P(4), the co-operative society engaged in providing credit facilities to its members continued to be entitled for deduction u/s 80P(2)(a)(i). There is no prohibition u/s 80P not to allow deduction to such co-operative societies in respect of business relating to its members.

3.1 The business of banking has been defined under section 5(b) of the Banking Regulation Act, 1949 in the following manner: "banking" means the accepting, for the purpose of lending or investment, of deposits of money from the public, repayable on demand or otherwise, and withdrawal by cheque, draft, order or otherwise.

3.2 The Banking Regulation Act, 1949 defines a co-operative bank in cl. (cci) of sec. 5 (as inserted by sec. 56 of the said Act) and Co-operative Credit Society is not included but its identity is kept separate by way of independent definition in Clause (ccii) of Sec. 5 of the Banking Regulation Act which is reproduced as under: (cci) "Co-operative bank" means a state co-operative bank, a central cooperative bank and a primary co-operative bank (ccii) "co-operative credit society" means a Co-operative Society, the primary object of which is to provide financial accommodation to its members and includes a co-operative land mortgage bank;. "

3.3 Therefore, on plain reading, the Banking Regulation Act, 1949, nowhere suggests that the term "Co-operative Bank" also includes 'Co-Operative Credit Society". Primary Co-operative bank is defined in cl. (ccv) of sec. 5 of the Banking Regulation Act 1949 as under:— '(ccv) "primary co-operative bank" means a co-operative society, other than a primary agricultural credit society— i) the primary object or principal business of which is transaction of banking business: ii) the paid-up share capital and reserves of which are not less than one lakh of rupees: and iii) the bye-laws of which do not permit admission of any other co-operative society as a member.

3.4 Therefore, in view of definition of 'banking', 'co-operative bank' and 'primary cooperative bank' as mentioned above, if a co-operative society is not allowed to accept deposits of money from the public for the purpose of lending or investment, it

cannot be said that the prime object or principal business of the appellant is banking business. Hence, it will not be a Primary co-operative Bank and consequently not a co-operative bank.

3.5 In this regard, the issue involved in the instant case is covered by the decision of Hon'ble Bombay High Court in the case of Quepem Urban Co-operative Credit Society Ltd. vs ACIT dated 17.04.2015 (2015) 58 taxmann.com 113 (Bombay), referred to by the appellant, wherein it is held that the assessee cannot be considered as a co-operative Bank for the purposes of section 80P(4) of the Act, unless following three conditions are satisfied- (i) the principal business or primary objective should be business of banking (ii) its paid up share capital and reserves should not be less than rupee one lac (iii) its bye-laws do not permit admission of any other co-operative society as its member. This has been upheld by the Hon'ble Supreme Court in Pr. CIT vs. Annasaheb Patil Mathadi Kamgar Sahakari Patpedhi, CIVIL APPEAL NO. 8719/2022 [2023].

3.6 The judgement of the hon'ble apex court in Mavilayi Service Co-operative Bank Ltd Vs. CIT (SC) (123 taxmann.com 161) [2021] holds that all the Co-Operative Credit Societies are eligible for deduction u/s 80P(2)(a)(i) unless they are declared as banks by the Reserve Bank of India. The relevant part of the judgement is reproduced below:

"45. To sum up, therefore, the ratio decidendi of ***Citizen Cooperative Society Ltd.*** *(supra), must be given effect to. Section 80P of the IT Act, being a benevolent provision enacted by Parliament to encourage and promote the credit of the co-operative sector in general must be read liberally and reasonably, and if there is ambiguity, in favour of the assessee. A deduction that is given without any reference to any restriction or limitation cannot be restricted or limited by implication, as is sought to be done by the Revenue in the present case by adding the word "agriculture" into Section 80P(2)(a)(i) when it is not there. Further, section 80P(4) is to be read as a proviso, which proviso now specifically excludes co- operative banks which are co-operative societies engaged in banking business i.e. engaged in lending money to members of the public, which have a licence in this behalf from the RBI. Judged by this touchstone, it is clear that the impugned Full Bench judgment is wholly incorrect in its reading of* ***Citizen Cooperative Society Ltd.*** *(supra). Clearly, therefore, once section 80P(4) is out of harm's way, all the assessees in the present case are entitled to the benefit of the deduction contained in section 80P(2)(a)(i), notwithstanding that they may also be giving loans to their members which are not related to agriculture. Also, in case it is found that there are instances of loans being given to non-members, profits attributable to such loans obviously cannot be*

deducted.

46. It must also be mentioned here that unlike the Andhra Act that ***Citizen Cooperative Society Ltd.*** *(supra) considered, 'nominal members' are 'members' as defined under the Kerala Act. This Court in* ***U.P. Cooperative Cane Unions' Federation Ltd., Lucknow v. Commissioner of Income Tax, Lucknow-I*** *(1997) 11 SCC 287 referred to section 80P of the IT Act and then held:*

*"**8.** The expression "members" is not defined in the Act. Since a cooperative society has to be established under the provisions of the law made by the State Legislature in that regard, the expression "members" in Section 80-P(2)(a)(i) must, therefore, be construed in the context of the provisions of the law enacted by the State Legislature under which the cooperative society claiming exemption has been formed. It is, therefore, necessary to construe the expression "members" in Section 80-P(2)(a)(i) of the Act in the light of the definition of that expression as contained in Section 2(n) of the Cooperative Societies Act. The said provision reads as under:*

"2. (n) 'Member' means a person who joined in the application for registration of a society or a person admitted to membership after such registration in accordance with the provisions of this Act, the rules and the bye-laws for the time being in force but a reference to 'members' anywhere in this Act in connection with the possession or exercise of any right or power or the existence or discharge of any liability or duty shall not include reference to any class of members who by reason of the provisions of this Act do not possess such right or power or have no such liability or duty;"

Considering the definition of 'member' under the Kerala Act, loans given to such nominal members would qualify for the purpose of deduction under section 80P(2)(a)(i).

47. Further, unlike the facts in ***Citizen Cooperative Society Ltd.*** *(supra), the Kerala Act expressly permits loans to non-members under section 59(2) and (3), which reads as follows:*

*"**59. Restrictions on loans.**- (1) A society shall not make a loan to any person or a society other than a member:*

Provided that the above restriction shall not be applicable to the Kerala State Co-operative Bank.

Provided further that, with the general or special sanction of the Registrar, a society may make loans to another society.

(2) Notwithstanding anything contained in sub-section (1), a society may make a loan to a depositor on the security of his deposit.

(3) Granting of loans to members or to non-members under sub- section (2) and recovery thereof shall be in the manner as may be specified by the Registrar."

Thus, the giving of loans by a primary agricultural credit society to nonmembers is not illegal, unlike the facts in ***Citizen Cooperative Society Ltd.*** *(supra).*

48. Resultantly, the impugned Full Bench judgment is set aside. The appeals and all pending applications are disposed of accordingly. These appeals are directed to be placed before appropriate benches of the Kerala High Court for disposal on merits in the light of this judgment."

3.7 The issue regarding the principle of mutuality is covered by the pronouncement of the Hon'ble Supreme Court supra. Hence, the appellant being a Co-operative Credit Society is entitled for deduction u/s. 80 P(2)(a)(i) of the Act on the income earned from the appellant's activities of providing credit facilities to its members. The Assessing Officer is directed to allow deduction u/s.80P(2)(a)(i) as claimed by the appellant.

3.8 To conclude, a Co-operative Credit Society is distinct and separate from a Co-operative Bank. It cannot be held as a Primary Co-operative Bank within the meaning of Banking Regulation Act, 1949. Hence, the appellant being a Co-operative Credit Society is entitled for deduction u/s. 80 P(2)(a)(i) of the Act on the income earned from the appellant's activities of providing credit facilities to its members. The grounds are, therefore, **allowed.** The Assessing Officer is directed to allow deduction u/s.80P(2)(a)(i) as claimed by the appellant.

4. The Revenue vehemently argued during the course of hearing that the learned Assessing Officer had rightly treated the assessee as a cooperative bank and not cooperative society within the meaning of sec.80P(2)(a)(i) r.w.s.2(19) of the Act. And also that the assessee has derived the impugned interest income from nominal as well as regular members along with deposits made in various cooperative institution(s). We are of the considered view that the Revenue's foregoing twin issues vis-à-vis the assessee being a cooperative bank or a cooperative society as well as nominal and regular members, already stand rejected in hon'ble apex court's landmark

decision in Mavilayi Service Co-operative Bank Ltd., vs., CIT [2021] 431 ITR 1 (SC).

5. This is further coupled with the fact that the assessee's impugned deduction claim of Rs.31,63,529/- realized from the foregoing members as well as cooperative society(ies) and bank(s) is also no more *res integra* in light of The Rena Sahakari Sakhar Karkhana Ltd. vs. PCIT's ITA.No.1249/PUN./ 2018 dated 07.01.2022 has settled the issue regarding the former limb of interest income derived from cooperative bank(s) etc., in assessee's favour and against the department as under :

> *"3. After culmination of the assessment proceedings, the Pr. CIT called for the assessment records of the assessee. It was observed by the Pr. CIT that the assessee had during the year shown interest income from FDs with Co-operative Banks amounting to Rs.75,38,534/-, against which it had claimed deduction under Sec.80P(2)(d) of the Act. It was observed by the Pr. CIT, that the A.O while framing the assessment had allowed the aforesaid claim of deduction raised by the assessee. Observing, that as co-operative banks were commercial banks and not a co-operative society, therefore, the Pr.CIT was of the view that the assessee was not eligible for claim of deduction under Sec.80P(2)(d). In the backdrop of his aforesaid conviction,*

the Pr. CIT was of the view that the assessment order passed by the A.O under Sec.143(3), dated 07.03.2016, therein allowing the assesses claim for deduction under Sec. 80P(2)(d), had therein rendered his order as erroneous, insofar it was prejudicial to the interest of the revenue. Accordingly, the Pr.CIT not finding favour with the reply of the assessee, wherein the latter had tried to impress upon him that it was duly eligible for claim of deduction under Sec.80P(2)(d) of the Act, therein "set aside" the order of the A.O with a direction to redecide the issue afresh and reframe the assessment.

4. The assessee being aggrieved with the order of the Pr.CIT has carried the matter in appeal before us. As the present appeal involved a delay of 52 days, therefore, the ld. A.R took us through the reasons leading to the same. It was submitted by the ld. A.R that as the then counsel of the assessee society who was looking after its tax matters, viz. Shr. Ravikiran Pandurang Todkar, Chartered Accountant was taken unwell due to kidney failure and had undergone kidney transplant, therefore, due to his unavailability the appeal could not be filed within the stipulated time period. Our attention was drawn towards the „affidavit" of the assessee society wherein the aforesaid facts were deposed. On the basis of the aforesaid facts, it was submitted by the ld. A.R that the

delay involved in filing of the present appeal in all fairness may be condoned. Per contra, the ld. D.R did not object to the seeking of condonation of the delay in filing of the appeal by the assessee society. After giving a thoughtful consideration, we are of the considered view, that as there were justifiable reasons leading to delay on the part of the assessee in filing of the present appeal before us, therefore, the same merits to be condoned.

5. On merits, it was submitted by the ld. A.R, that as the A.O while framing the assessment had after making necessary verifications taken a plausible view, therefore, the Pr. CIT had exceeded his jurisdiction by seeking to review the order passed by him in the garb of the revisional powers vested with him under Sec.263 of the Act. It was submitted by the ld. A.R, that the issue as regards the eligibility of the assessee for claim of deduction under Sec.80P(2)(d) on interest income derived from investments/deposits lying with co-operative banks was squarely covered by the various orders of the coordinate benches of the Tribunal viz., (i). M/s Solitaire CHS Ltd. vs. Pr. CIT, ITA No. 3155/Mum/2019; dated 29.11.2019 (ITAT "G" Bench, Mumbai); Kaliandas Udyog Bhavan Premises Co-op Society Ltd. Vs. ITO-21(2)(1), Mumbai, ITA No. 6547/Mum/2017 (ITAT Mumbai); and (iii). Majalgaon Sahakari Sakhar Karkhana Ltd. Vs. ACIT,

Circle-3, Aurangabad, ITA No, 308/Pun/2018 (ITAT Pune). On the basis of his aforesaid contentions, it was averred by the ld. A.R that as the Pr. CIT had exceeded his jurisdiction and had not only sought to review the plausible view that was taken by the A.O after necessary deliberations which was in conformity with the order of the jurisdictional bench of the Tribunal, therefore, his order may be vacated and that of the A.O be restored.

6. Per contra, the ld. Departmental Representative (for short "D.R") relied on the order passed by the Pr. CIT under Sec.263 of the Act. It was submitted by the ld. D.R, that as the assessee was not eligible for claim of deduction under Sec.80P on the interest income received on the investments/deposits lying with the co-operative banks, therefore, the Pr. CIT finding the assessment order passed by the A.O under Sec.143(3), dated 07.03.2016 as erroneous, insofar it was prejudicial to the interest of the revenue, had rightly „set aside" his assessment with a direction to re-adjudicate the issue therein involved. Our attention was also drawn by the ld. D.R to his written submissions and certain judicial pronouncements in support of his aforesaid contention.

7. We have heard the ld. authorised representatives for both the parties, perused the orders of the lower

authorities and the material available on record, as well as the judicial pronouncements relied upon by them. Our indulgence in the present appeal has been sought, for adjudicating, as to whether or not the claim of the assessee for deduction under section 80P(2)(d) in respect of interest income earned from the investments/deposits made with the co-operative banks is in order. In our considered view, the issue involved in the present appeal hinges around the adjudication of the scope and gamut of sub-section (4) of Sec. 80P as had been made available on the statute, vide the Finance Act 2006, with effect from 01.04.2007. On a perusal of the order passed by the Pr. CIT under Sec. 263 of the Act, we find, that he was of the view that pursuant to insertion of sub-section (4) of Sec. 80P, the assessee would no more be entitled for claim of deduction under Sec. 80P(2)(d) in respect of the interest income that was earned on the amounts which were parked as investments/deposits with the co-operative bank, other than a Primary Agricultural Credit Society or a Primary Co-operative Agricultural and Rural Development Bank. Observing, that the co-operative banks from where the assessee was in receipt of interest income were not cooperative societies, the Pr. CIT was of the view that the interest income earned on such investments/deposits

would not be eligible for deduction under Sec. 80P(2)(d) of the Act.

8. After necessary deliberations, we are unable to persuade ourselves to concur with the view taken by the Pr. CIT. Before proceeding any further, we may herein cull out the relevant extract of the aforesaid statutory provision, viz. Sec. 80P(2)(d), as the same would have a strong bearing on the adjudication of the issue before us.

> *"80P(2)(d) (1).*
>
> *Where in the case of an assessee being a co-operative society, the gross total income includes any income referred to in sub-section (2), there shall be deducted, in accordance with and subject to the provisions of this section, the sums specified in sub-section (2), in computing the total income of the assessee.*
>
> *(2). The sums referred to in sub-section (1) shall be the following, namely:-*
>
> *(a).....*
>
> *(b).....*
>
> *(c).....*
>
> *(d) in respect of any income by way of interest or dividends derived by the cooperative society from its*

investments with any other co-operative society, the whole of such income;"

On a perusal of Sec. 80P(2)(d), it can safely be gathered that interest income derived by an assessee co-operative society from its investments held with any other co-operative society shall be deducted in computing its total income. We may herein observe, that what is relevant for claim of deduction under Sec. 80P(2)(d) is that the interest income should have been derived from the investments made by the assessee co-operative society with any other co-operative society. We are in agreement with the view taken by the Pr. CIT, that with the insertion of sub-section (4) to Sec. 80P of the Act, vide the Finance Act, 2006 with effect from 01.04.2007, the provisions of Sec. 80P would no more be applicable in relation to any co-operative bank, other than a primary agricultural credit society or a primary co-operative agricultural and rural development bank. However, at the same time, we are unable to subscribe to his view that the aforesaid amendment would jeopardize the claim of deduction of a co-operative society under Sec. 80P(2)(d) in respect of its interest income on investments/deposits parked with a co-operative bank. In our considered view, as long as it is proved

that the interest income is being derived by a co-operative society from its investments made with any other co-operative society, the claim of deduction under the aforesaid statutory provision, viz. Sec. 80P(2)(d) would be duly available. We find that the term „co-operative society" had been defined under Sec. 2(19) of the Act, as under:-

> *"(19) "Co-operative society" means a cooperative society registered under the Co-operative Societies Act, 1912 (2 of 1912), or under any other law for the time being in force in any state for the registration of co-operative societies;"*

We are of the considered view, that though the co-operative banks pursuant to the insertion of sub-section (4) to Sec. 80P would no more be entitled for claim of deduction under Sec. 80P of the Act, but as a cooperative bank continues to be a co-operative society registered under the Co-operative Societies Act, 1912 (2 of 1912), or under any other law for the time being in force in any State for the registration of co-operative societies, therefore, the interest income derived by a co-operative society from its investments held with a co-operative bank would be entitled for claim of deduction under Sec.80P(2)(d) of the Act.

9. In so far the judicial pronouncements that have been relied upon by the ld. A.R are concerned, we find that the issue that a co-operative society would be entitled for claim of deduction under Sec. 80P(2)(d) on the interest income derived from its investments held with a co-operative bank is covered in favour of the assessee in the following cases:

(i). M/s Solitaire CHS Ltd. vs. Pr. CIT, ITA No. 3155/Mum/2019; dated 29.11.2019 (ITAT "G" Bench, Mumbai);

(ii). Majalgaon Sahakari Sakhar Karkhana Ltd. Vs. ACIT, Circle-3, Aurangabad, ITA No, 308/Pun/2018 (ITAT Pune)

(iiii). Kaliandas Udyog Bhavan Pemises Co-op. Society Ltd. Vs. ITO, 21(2)(1), Mumbai

We further find that the Hon'ble High Court of Karnataka in the case of Pr. Commissioner of Income Tax and Anr. Vs. Totagars Cooperative Sale Society (2017) 392 ITR 74 (Karn) and Hon'ble High Court of Gujarat in the case of State Bank Of India Vs. CIT (2016) 389 ITR 578 (Guj), had held, that the interest income earned by the assessee on its investments with a co-operative bank would be eligible for claim of deduction under Sec. 80P(2)(d) of the Act. Still

further, we find that the CBDT Circular No. 14, dated 28.12.2006 also makes it clear beyond any scope of doubt that the purpose behind enactment of sub-section (4) of Sec. 80P was that the co-operative banks which were functioning at par with other banks would no more be entitled for claim of deduction under Sec. 80P(4) of the Act. Although, in all fairness, we may herein observe that the Hon'ble High Court of Karnataka in the case of Pr. CIT Vs. Totagars co-operative Sale Society (2017) 395 ITR 611 (Karn), as had been relied upon by the ld. D.R before us, had held, that a co-operative society would not be entitled to claim deduction under Sec. 80P(2)(d); but then, the Hon'ble High Court in the case of Pr. Commissioner of Income Tax and Anr. Vs. Totagars Cooperative Sale Society (2017) 392 ITR 74 (Karn) and Hon'ble High Court of Gujarat in the case of State Bank Of India Vs. CIT (2016) 389 ITR 578 (Guj), had observed, that the interest income earned by a co-operative society on its investments held with a co-operative bank would be eligible for claim of deduction under Sec.80P(2)(d) of the Act. Backed by the aforesaid conflicting judicial pronouncements, we may herein observe, that as held by the Hon'ble High Court of Bombay in the case of K. Subramanian and

Anr. Vs. Siemens India Ltd. and Anr (1985) 156 ITR 11 (Bom), where there is a conflict between the decisions of non-jurisdictional High Court"s, then a view which is in favour of the assessee is to be preferred as against that taken against him. Accordingly, taking support from the aforesaid judicial pronouncement of the Hon"ble High Court of jurisdiction, we respectfully follow the view taken by the Hon'ble High Court of Karnataka in the case of Pr. Commissioner of Income Tax and Anr. Vs. Totagars Cooperative Sale Society (2017) 392 ITR 74 (Karn) and that of the Hon'ble High Court of Gujarat in the case of State Bank Of India Vs. CIT (2016) 389 ITR 578 (Guj), wherein it was observed that the interest income earned by a co-operative society on its investments held with a co-operative bank would be eligible for claim of deduction under Sec.80P(2)(d) of the Act.

10. Be that as it may, in our considered view, as the A.O while framing the assessment had taken a possible view, and allowed the assessee's claim for deduction under Sec. 80P(2)(d) on the interest income earned on its investments/deposits with co-operative banks, therefore, the Pr. CIT was in error in exercising his revisional jurisdiction u/s 263 of the Act for dislodging the same.

Accordingly, finding no justification on the part of the Pr. CIT, who in exercise of his powers under Sec. 263 of the Act, had dislodged the view that was taken by the A.O as regards the eligibility of the assessee towards claim of deduction under Sec. 80P(2)(d), we set-aside his order and restore the order passed by the A.O under Sec. 143(3), dated 07.03.2016."

6. We thus adopt the foregoing detailed discussion *mutatis mutandis* to reject the Revenue's instant sole substantive grievance in very terms. Ordered accordingly.

7. This Revenue's appeal is dismissed in above terms.

Order pronounced in the open Court on 28.05.2024.

Sd/-	Sd/-
[GD PADMAHSHALI]	[SATBEER SINGH GODARA]
ACCOUNTANT MEMBER	JUDICIAL MEMBER

Pune, Dated 28th May, 2024

VBP/-

Copy to

1.	The appellant
2.	The respondent
3.	The CIT(A) concerned.
4.	The Pr. CIT, Pune concerned.
4.	D.R. ITAT, "A" Bench, Pune.
5.	Guard File.

/By Order//

//True Copy //

Sr. Private Secretary, ITAT, Pune Benches,
Pune.