

**IN THE INCOME TAX APPELLATE TRIBUNAL
KOLKATA BENCH 'SMC', KOLKATA
BEFORE MS. MADHUMITA ROY, JUDICIAL MEMBER**

ITA No.600/Kol/2024

Assessment Year: 2012-13

Gayathri Credit Cooperative Society Ltd., Gayathri Dharmashala Road, Chitradurga, Karnataka - 577501.	Vs	Income Tax Officer, Ward-1, Chitradurga, Karnataka - 577501
PAN No. – AAAAG0436H		
(APPELLANT)		(RESPONDENT)

Appellant by	None
Respondent by	L.N.Dash, JCIT Sr.(DR)

Date of hearing:	17/10/2024
Date of Pronouncement:	17/10/2024

ORDER

PER MS. MADHUMITA ROY:

The instant appeal filed by the assessee is directed against the order dated 19.02.2024 passed by the CIT-A -5, Kolkata whereby and whereunder the order of disallowance made by the Assessing Officer under Section 80P(2)(d) of the Income Tax Act, 1961 (hereinafter referred to as 'the Act') for Assessment Year 2012-13 has been confirmed.

None appeared on behalf of the assessee at the time of hearing of the matter neither any adjournment has been sought for. Hence, the matter is being decided to be finalised ex parte.

In this particular case the assessee, a Cooperative Society engaged in carrying on the business of providing credit facilities to its members has earned interest amounting to Rs. 9,19,001/-from investments/deposits date with DCC bank who is also a Cooperative Bank and deduction under Section 80p(2)(a)(i) of the Act has been claimed which was disallowed by the Assessing Officer and was further confirmed by the learned CIT-A holding the cooperative Bank is not a cooperative Society.

The case of the assessee is this that cooperative Bank namely DCC to be treated as a cooperative Society in view of several judgements passed by different judicial forum including the order passed by the order of High Court Karnataka in the case of Totgars Cooperative Society –vs- P CIT, the order passed by the Bangalore Bench in the case of Totgars cooperative sale Society Ltd versus ACCT,Hubballi, the judgement passed by the Hon'ble Calcutta High Court in the case of CIT versus Pashim Banga Gramin Bank, order passed by the Mumbai Bench in the case of Amore Commercial Premises Cooperative Society versus CPC, Bengaluru etc. The Hon'ble Karnataka High Court clearly opined that the cooperative Bank to be treated as a cooperative Society while allowing the claim of deduction made by the assessee under section 80p(2)(a)(i) of the Act.

Thus having regard to the judgements passed by the different forum as discussed hereinabove which has not been able to be controverted by the Learned DR the order of disallowance made by the authorities below is found to be not sustainable in the eyes of law and therefore, quashed.

The appeal preferred by the assessee is, thus, allowed.

Sd/-
[MADHUMITA ROY]
JUDICIAL MEMBER

Dated: 17.10.2024
Order prepared by the Member

Copy forwarded to:

1. Appellant- Gayathri Credit Cooperative Society Ltd., Gayathri Dharmashala Road, Chitradurga, Karnataka - 577501.
2. Respondent- Income Tax Officer, Ward-1, Chitradurga, Karnataka - 577501.
3. ADDL / JCIT (A)- 5, Kolkata
4. CIT-
5. DR-

By Order,

**Assistant Registrar
ITAT, KOLKATA**