

IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCH "SMC", PUNE

BEFORE SHRI MANISH BORAD, ACCOUNTANT MEMBER
AND
SHRI S. S. VISWANETHRA RAVI, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.65/PUN/2025
निर्धारण वर्ष / Assessment Year : 2020-21

Shri Saikrupa Nagari Sahakari Patsanstha Maryadit, 720, Office Shop No.4, Near Deshmukh Hall, Old Washi Naka, A Ward, Kolhapur- 416011. PAN : AAPAS5987G	Vs.	ITO, NFAC.
Appellant		Respondent

Assessee by : Shri A. S. Naik (Virtual)
Revenue by : Shri Manoj Tripathi

Date of hearing : 19.03.2025
Date of pronouncement : 28.03.2025

आदेश / ORDER

PER S. S. VISWANETHRA RAVI, JM:

This appeal filed at the instance of assessee is directed against the order of Ld. CIT(A)/NFAC dated 02.12.2024 pertaining to assessment year 2020-21.

2. At the outset, Ld. Counsel for the assessee submitted that the sole issue involved in the instant case is the allowability of deduction u/s 80P(2)(d) of the Act for the interest earned from

cooperative banks. He stated that in assessee's own case for assessment year 2018-19 similar issue has been decided in favour of the assessee vide ITA No.2378/PUN/2024 dated 07.01.2025. He prayed that the appeal of the assessee be allowed in view of the settled judicial precedent consistently followed by this Tribunal.

3. On the other hand, Ld. DR did not file any binding precedent in the interest of the Revenue.

4. We have heard rival contentions and perused the records placed before us. The assessee has earned interest of Rs.29,53,030/- on deposits held with cooperative banks. The issue is no longer *res integra* and considering the consistent view taken by this Tribunal and also referring to the decision of this Tribunal in the case of *Kolhapur District Central Co-op. Bank Kanista Sevakanchi Sahakar Pat Sanstha Ltd. vs. ITO in ITA No.1365/PUN/2023 dated 01.01.2024* and in assessee's own case for assessment year 2018-19 in ITA No.2378/PUN/2024 we hold that since the cooperative banks are basically cooperative societies, therefore, the interest earned on deposits earned from cooperative banks are also allowable as deduction u/s 80P(2)(d) of the Act. We accordingly reverse the finding of Ld. CIT(A)/NFAC and direct the Assessing Officer to

allow the deduction u/s 80P(2)(d) of the Act at Rs.29,53,030/-.

Effective grounds of appeal raised by the assessee are allowed.

5. In the result, the appeal of the assessee is allowed.

Order pronounced on 28th day of March, 2025.

Sd/-
(MANISH BORAD)
ACCOUNTANT MEMBER

Sd/-
(S. S. VISWANETHRA RAVI)
JUDICIAL MEMBER

पुणे / Pune; दिनांक / Dated : 28th March, 2025.

Sujeet

आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "SMC" बेंच,
पुणे / DR, ITAT, "SMC" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Senior Private Secretary
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune.