

**IN THE INCOME TAX APPELLATE TRIBUNAL
COCHIN BENCH**

BEFORE SHRI INTURI RAMA RAO, AM

**ITA No. 418/Coch/2025
Assessment Year: 2009-10**

Elankur Service Co-op. Bank Ltd., Appellant
Manjery, Elankur,
Malappuram.
[PAN: AAAAE 5993 M]

vs.

ACIT, Circle-2, Tirur Respondent

Appellant by: Ms. Jinu Pookat, Advocate
Respondent by: Smt. Leena Lal, Sr.DR

Date of Hearing: 13.06.2025
Date of Pronouncement: 31.07.2025

ORDER

This appeal filed by the assessee is directed against the order of the ADDL/JCIT(A)-2, Gurugram [CIT(A)] dated 31.03.2025 for Assessment Year (AY) 2009-10.

2. Brief facts of the case are that assessee is a cooperative society registered under Kerala Co-operative Societies Act, 1969. It is classified as primary agricultural credit cooperative society. The assessee had not filed its return of income for the A.Y. 2009-10 under the provisions of section 139(1) of the Act. Therefore, the AO issued notice u/s. 148 of the Act on 24/03/2016. In response to

the notice issued, the assessee filed return of income on 27/04/2016 declaring nil income after claiming deduction u/s. 80P of Rs. 4,84,968/-. Against the said return of income, the assessment was completed by the ACIT, Circle-1, Tirur Income Tax Act, 1961 (for short, 'the Act') at a total income of Rs. 4,84,968/-. While doing so, the AO disallowed deduction claimed u/s. 80P of the Act.

3. Being aggrieved, an appeal was filed before the CIT(A), who vide the impugned order confirmed the action of the AO.

4. Being aggrieved, the assessee is in appeal before the Tribunal in the present appeal.

5. It is submitted that the assessee is a cooperative society classified as primary agricultural credit cooperative society and it is a cooperative bank and, therefore, is entitled for deduction u/s. 80P of the Act.

6. On the other hand, Id. Sr.DR has no serious objection in allowing deduction u/s. 80P of the Act.

7. The issue that arises for my determination that whether assessee is entitled for deduction u/s. 80P(2)(a)(i). The assessee is a registered society under the Kerala Credit Cooperative Societies Act, 1969, classified as primary agricultural credit cooperative society and it is not enjoying licence of banking, therefore, the provisions of section 80P(4) have no application to the assessee

society. Once the assessee-society is granted registration as a cooperative society, the AO cannot go beyond the certification of registration granted by the Registrar of Cooperative Societies and, therefore, I direct the AO to allow 80P deduction to the assessee.

8. In the result, the appeal filed by the assessee is allowed.

Order pronounced in the open court on 31st July, 2025.

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Cochin, Dated: 31st July, 2025

vr/-

Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

By Order

Assistant Registrar
ITAT, Cochin