IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH, NAGPUR.

INCOME TAX APPEAL No. 37 OF 2015

The Commissioner of Income Tax, Nagpur-1 Nagpur.
-Vrs.-
M/s Amravati District Central Co-operative Bank Ltd., Amravati

Office Notes, Office Memoramda of Coram, appearances, Court's orders of directions and Registrar's Orders.	Court's or Judge's orders.

Mr. A Parchure, counsel for appellant.
Mr. Dewani, counsel for respondent.

CORAM : B.P. DHARMADHIKARI AND P.N. DESHMUKH, JJ.

DATED : 19th OCTOBER, 2015

Heard respective counsel. Perused order dated 14.09.2014. It is not in dispute that provisions as contained in Section 36(1)(viia) as amended have come in force from 1.4.2007.

Effort is to show us that as the financial year relevant for assessment year 2007-08 runs from 1.4.2006 till 31.3.2007, the amendment is not applicable.

Second contention is, the deduction is to be allowed as prescribed in Rules and in absence of corresponding amendment to the rules, the amendment to section could not have been given effect to.

Advocate Dewani points out that amendment has been given effect to from assessment year 2007-08 and here the Assessing Officer has considered that year only.

He submits that Section 36(1)(viii) has been amended and deduction at par i.e. as available to scheduled bank has been extended even to cooperative banks, the later part which seeks to prescribe the manner need not be modified.

He contends that in any case, due to amended section the exercise undertaken by Assessing Officer could not have been looked into under section 263 by CIT.

We have perused the impugned order of ITAT. ITAT has precisely addressed this issue and in paragraph 14 found that the provisions under section 36(1)(viia) have been rightly applied by Assessing Officer to the case of assessee.

It is thus clear that when substantive provision and amended section itself extends benefit at par to a cooperative bank and the manner prescribed governing the scheduled bank was very much available, the insistence on corresponding amendment to Rules is unwarranted. We agree with findings in para 13 & 14 of the order of ITAT.

As no substantial question of law arises, the appeal is dismissed. No costs.

JUDGE **JUDGE**

Hirekhan