In the High Court of Judicature at Madras

Dated : 30.8.2019

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice V.BHAVANI SUBBAROYAN

Tax Case Appeal No.639 of 2019

M/s.K.K.142 Pottaneri, PACCS
Ltd., Salem-636453. ...Appellant

Vs

The Income Tax Officer, Ward 2(4),
Salem-7. ...Respondent

APPEAL under Section 260-A of the Income Tax Act, 1961 against the order dated 31.8.2018 made in MP.No.92/Chny/2018 in ITA.No.2607/Chny/ 2017 on the file of the Income Tax Appellate Tribunal Chennai 'C' Bench for the assessment year 2014-15,

against the order of the Income Tax Appellate Tribunal 'C' Bench, Chennai dated 27.03.2018 and made in ITA No.2607/Chny/2017 for the Assessment Year 2014-15.

against the order of the Commissioner of Income-Tax (Appeals), Salem-7 dated 31.08.2017 and made in ITA No.288/2016-17 for the Assessment Year 2014-15.

against the order of the Income Tax Officer, Ward-2(4), Salem dated 29.12.2016 and made in PAN/GIR NO.AABAK0355J for the Assessment Year 2014-15.

For Appellant : Mr.T.Ramesh

For Respondent: Mr.M.Swaminathan, SSC
assisted by Ms.V.Pushpa

Judgment was delivered by T.S.Sivagnanam,J

This appeal, filed by the assessee under Section 260A of the Income Tax Act, 1961 (for brevity, the Act) is directed against the order dated 31.8.2018 made in MP.No.92/Chny/2018 in ITA.No.2607/Chny/2017 on the file of the Income Tax Appellate Tribunal Chennai 'C' Bench for the assessment year 2014-15.

2. The assessee has filed this appeal by raising the following substantial questions of law:

> "i. In the facts and circumstances of the case, where the appellant is admittedly a primary agricultural cooperative credit society, registered under the Tamil Nadu Cooperative Societies Act, whether the Appellate Tribunal is correct in rejecting the deduction claimed by the appellant under Section 80P(2)(a)(i) of the Income Tax Act ?
>
> ii. Whether the Tribunal is correct in differentiating between Class A members and Class B members for the purpose of claiming deduction under Section 80P(2)(a)(i) of the Income Tax Act in the absence of any such discrimination under the said Section 80P(2)(a)(i) of the Income Tax Act?
>
> iii. In the facts and circumstances of the case, where Section 80P(2)(a)(i) refers to the members and there is no reference to different kinds of members, whether the Tribunal is correct in holding that deduction under Section 80P(2)(a)(i) is applicable only when there is a transaction between the appellant society and the Class a members ?
>
> iv. Whether the Tribunal is correct in traversing beyond this scope of the proceedings and allowing the appeal of the Department on entirely a new ground ?
>
> v. In the facts and circumstances, whether the re-assessment under Section 143 (3) of the Income Tax Act initiated on change of opinion is permissible under the Act ?
>
> vi. Whether the Tribunal is correct in rejecting the application for rectification of mistake filed under Section 254(2) of the Income Tax Act, 1961?"

3. We have heard Mr.T.Ramesh, learned counsel for the appellant - assessee and Mr.M.Swaminathan, learned Senior Standing Counsel, assisted by Ms.V.Pushpa, learned Standing Counsel accepting notice for the respondent - Department.

4. As against the main order passed by the Tribunal, the assessee filed TCA.No.638 of 2019, which was allowed by this Court by judgment dated 29.8.2019. In the light of the same, no judgment is required in this appeal.

5. Hence, the above tax case appeal is closed. No costs.

Sd/-
Assistant Registrar(CS VI)

//True Copy//

Sub Assistant Registrar

To

1.The Income Tax Appellate Tribunal, Chennai 'C' Bench.

2.The Income Tax Officer, Ward 2(4), Salem-7.

3.The Commissioner of Income Tax (Appeals),
Salem-7.

+1cc to Mr.M.Swaminathan, Advocate Sr.75837

TCA.No.639 of 2019

sv[co]
srg 09/10/2019