

W.A(MD) No.311 of 2023

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT
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Reserved on : 08.08.2025

Pronounced on : 22.08.2025

CORAM

**THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN
AND
THE HONOURABLE MR.JUSTICE K.RAJASEKAR**

**W.A(MD) No.311 of 2023
and
C.M.P.(MD)No.3515 of 2023**

Q.837, Muhavoor Primary Agricultural
Cooperative Society Ltd.,
Rep.by its Secretary,
Muhavoor – 626 111,
Rajapalayam Taluk,
Virudhunagar District.

... Appellant / Petitioner

Vs.

1.The Assessment Unit,
Income Tax Department,
National Faceless Assessment Centre,
Delhi.

2.The Income Tax Officer,
Ward No.3,
130, Railway Feeder Road,
Virudhunagar – 626 001.

... Respondents / Respondents



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PRAYER: Writ Appeal filed under Clause 15 of Letters Patent, praying this Court to set aside the order dated 31.01.2023 made in WP(MD)No. 1040 of 2023.

For Appellant : Mr.D.Shanmugaraja Sethupathi

For Respondents : Mr.N.Dilipkumar,
Senior Standing Counsel

JUDGMENT
(By G.R.SWAMINATHAN, J.)

Heard both sides.

2.The appellant is a Primary Agricultural Cooperative Society. The Assessment Unit of the Income Tax Department, National Faceless Assessment Centre, Delhi passed assessment order dated 20.12.2022 holding that there was under reporting of income. The appellant society had made investments in Virudhunagar District Central Cooperative Bank Limited and earned interest during the relevant assessment year (2021-22). The appellant claimed deduction under Section 80P(2)(a)(i) of the Income Tax Act, 1961. This claim stood rejected in the impugned

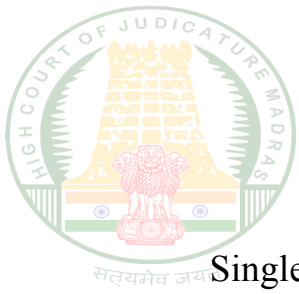


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assessment order. Challenging the assessment order and the consequential demand, the appellant filed WP(MD)No.1040 of 2023. The learned Single Judge dismissed the writ petition on the ground of non-exhaustion of alternative remedy. Aggrieved by the same, this writ appeal has been filed.

3.The primary issue that calls for consideration is whether Virudhunagar District Central Cooperative Bank Limited is a Cooperative Bank or a Cooperative Society. If it is treated as a Cooperative Society, the impugned assessment order has to be set aside. The stand of the Income Tax Department is that it is a Cooperative Bank. The stand of the appellant is that it is a Cooperative Society. We do feel tempted to go into this issue as it is more a question of law. But we wonder if a finding can be given without the said entity being before us. We cannot speculate on the stand that may be taken by them as to their identity or character. In any event, no pronouncement as to whether they are a cooperative society or a cooperative bank can be made behind their back. The appellant did not implead the said institution as a party respondent and hence, we decline to go into this issue. The learned



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Single Judge had granted liberty to the writ petitioner to file an appeal.

The said remedy can as well be pursued.

4.This writ appeal is dismissed with liberty to the appellant to file an appeal before the appellate authority. If such an appeal is filed within a period of three weeks from the date of receipt of copy of this order, the appeal shall be entertained without reference to limitation. All the contentions of the assessee are left open. The appellant can very well seek interim relief. No costs. Consequently, connected miscellaneous petitions are closed.

(G.R.S., J.) (K.R.S., J.)
22.08.2025

Index : Yes / No
Internet : Yes / No
NCC : Yes / No
SKM



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To

- 1.The Additional Chief Secretary to Government,
Higher Education Department,
Fort St.George, Chennai.
- 2.The Director,
Directorate of Advance Institute for Integrated
Research on Livestock and Animal Sciences,
Veterinary Polyclinic Campus,
Nandanam, Chennai.



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AND
K.RAJASEKAR, J.

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