

**THE INCOME TAX APPELLATE TRIBUNAL,
'A' BENCH, KOLKATA**

**Before Shri Rajpal Yadav, Vice-President (KZ)
&
Shri Sanjay Awasthi, Accountant Member**

**I.T.A. No. 1261/KOL/2024
Assessment Year: 2020-2021**

***West Bengal Text Book Corporation
Limited,.....Appellant
11, B.T. Road,. Belghoria,
Kolkata-700056
[PAN:AAACW6999F]***

-Vs.-

***Income Tax Officer,.....Respondent
Circle-11(1), Kolkata,
Aayakar Bhawan,
P-7, Chowringhee Square,
Kolkata-700069***

Appearances by:

*Shri Rip Das, FCA, appeared on behalf of the assessee
Shri Arun Kumar Meena, Addl. CIT, Sr. D.R., appeared
on behalf of the Revenue*

**Date of concluding the hearing: September 04, 2024
Date of pronouncing the order: September 09, 2024**

ORDER

Per Rajpal Yadav, Vice-President (KZ):-

The present appeal is directed at the instance of assessee against the order of Id. Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi dated 19th April, 2024 passed for Assessment Year 2020-21.

2. The assessee has taken three grounds of appeal, out of which Grounds No. 1 & 3 are general ground, which do not call for recording of any specific finding.

3. The substantial grievance pleaded in Ground No. 2 is that ld. CIT(Appeals) has erred in confirming the disallowance of donation expenses of Rs.2,00,00,000/- to the assessee.

4. Brief facts of the case are that the assessee has filed its return of income on 13.02.2021 declaring total income at Rs.38,46,39,520/-. The assessee is a Government of West Bengal Enterprise engaged in printing of all kind of Primary Text Books under Sarva Shiksha Abhiyan Scheme. During COVID period, the West Bengal Government has appraised to all its Undertakings to contribute generously to the West Bengal State Emergency Relief Fund. The assessee has paid a sum of Rs.2,00,00,000/- as donation. The grievance of the ld. Assessing Officer is that this Rs.2 crore was routed through West Bengal Board of Primary Education. According to the understanding of the ld. Assessing Officer, such Education Department was not enjoying the status of registration under section 80G and, therefore, this donation is not allowable to the assessee as a deduction. On the other hand, the case of the assessee is that West Bengal State Emergency Relief Fund is an Institution, which is eligible for 80G registration. The donations given to this concern were allowed as a deduction to the donor. Donation was ultimately given to West Bengal State Emergency Relief Fund. A receipt to this effect has been issued, which has been placed on record at page no. 50 of the paper book.

The Id. Assessing Officer did not accept the case of the assessee and disallowed the donation made by it.

5. The appeal to the Id. CIT(Appeals) did not bring any relief to the assessee.

6. With the assistance of Id. Representatives, we have gone through the record carefully. There is no dispute with regard to the position of law that if a recipient enjoys registration under section 80G of the Income Tax Act, then, donation granted to such a recipient will be allowed as a deduction to the assessee. The assessee is an Undertaking of the State Government. The State Government has formed a Relief Fund during COVID period under the name and style of West Bengal State Emergency Relief Fund. This concern enjoys registration under section 80G. The Board of Primary Education, West Bengal was only intermediary for processing this donation. The assessee is the actual donor and recipient is West Bengal State Emergency Relief Fund. Therefore, we are of the view that Revenue Authorities have misconstrued the transaction and created an artificial existence of other entities in between. The receipt issued by the West Bengal State Emergency Relief Fund is in the name of the assessee. Therefore, it is entitled for the deduction. Copy of this receipt is being annexed as Annexure 'A' to this order, which will be treated as a part of this order. This copy be issued along with the copy of the order to the parties.

7. In view of the above, the appeal of the assessee is allowed and the disallowance of Rs.2,00,00,000/- confirmed by the Id. CIT(Appeals) is deleted.

Order pronounced in the open Court on 09/09/2024.

Sd/-

(Sanjay Awasthi)
Accountant Member

Sd/-

(Rajpal Yadav)
Vice-President (KZ)

Kolkata, the 9th day of September, 2024

*Copies to :(1) West Bengal Text Book Corporation Limited,
11, B.T. Road, Belghoria, Kolkata-700056*

*(2) Income Tax Officer,
Circle-11(1), Kolkata,
Aayakar Bhawan,
P-7, Chowringhee Square, Kolkata-700069*

*(3) Commissioner of Income Tax (Appeals),
National Faceless Appeal Centre (NFAC),
Delhi;*

(4) CIT - , Kolkata;

(5) The Departmental Representative;

(6) Guard File

TRUE COPY

By order

*Assistant Registrar,
Income Tax Appellate Tribunal,
Kolkata Benches, Kolkata*

Laha/Sr. P.S.