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IN THE HIGH COURT AT CALCUTTA
SPECIAL JURISDICTION [INCOME TAX]
<u>ORIGINAL SIDE</u>

ITAT/35/2025
IA NO.:GA/1/2025
THE WEST BENGAL STATE CO-OPERATIVE AGRICULTURE AND RURAL DEVELOPMENT BANK LTD.
VS
ASSISTANT COMMISSIONER OF INCOME TAX, CIRCLE-32, KOLKATA

BEFORE :
THE HON'BLE THE CHIEF JUSTICE T.S SIVAGNANAM
-A N D-
HON'BLE JUSTICE CHAITALI CHATTERJEE (DAS)
DATE : 20th August, 2025.

<u>Appearance :</u>

Mr. Subash Agarwal, Adv.
Mr. Rajarshi Chatterjee, Adv.
Mr. Nitish Bhandary, Adv.
Mr. Amit Shaw, Adv.
Mrs. Suman Sahani, Adv.
…for the Appellant

Mr. Prithu Dudhoria, Adv.
…for the respondent.

The Court :- This appeal filed by the assessee under section 260A of the Income Tax Act, 1961 [the Act] is directed against the order dated 5.8.2024 passed by the Income Tax Appellate Tribunal, "A" Bench, Kolkata [Tribunal] in ITA/1434/Kol/2023 for the assessment year 2006-2007.

The assessee has raised the following substantial question of law for consideration.

> " Whether on the facts and in the circumstances of case, Learned Tribunal was justified in confirming the disallowance of claim of Deduction under section 80P(2)(a)(i) for interest income of Rs.55,08,000/- and Interest on House Building Loan (for short, HBL) to employees of Rs.28,71,843/-"?

We have elaborately heard Mr. Subash Agarwal, learned senior advocate assisted by Mr. Rajarshi Chatterjee, learned advocate for the appellant and Mr. Prithu Dudhoria, learned standing counsel for the respondent.

The above question of law was considered in the assessee's own case in ITAT/36/2025 and by judgment dated 6th August, 2025 the above question was decided against the assessee wherein this Court concurred with the view taken by the assessing officer as confirmed by the CIT(A) as well as the Tribunal that the assessee will not be entitled for deduction under section 80P in respect of the interest on House Building Loan to staff. In so far as the other component is concerned, namely interest income, the assessee cannot be permitted to take a contrary stand in the second round. Therefore, we find no error has been committed by the learned Tribunal and, accordingly, the appeal is disposed of and the substantial question of law is answered against the assessee.

Consequently, the application, IA NO.:GA/1/2025 also stands disposed of.

(T.S. SIVAGNANAM, CJ)

(CHAITALI CHATTERJEE (DAS), J.)

SM/pkd