IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT:

THE HONOURABLE MR.JUSTICE ANTONY DOMINIC
&
THE HONOURABLE MR. JUSTICE SHAJI P.CHALY

WEDNESDAY, THE 5TH DAY OF AUGUST 2015/14TH SRAVANA, 1937

ITA.No. 153 of 2015 ()

AGAINST THE ORDER IN ITA 233/2014 of INCOME TAX APPELLATE TRIBUNAL,COCHIN BENCH, COCHIN DATED 05-12-2014

APPELLANT:

WYELIFFE INDIA
HOUSE NO.340(1), KARIMALA, KATTODE
MANJADI PO, THIRUVALLA - 689 105

BY ADVS.SRI.MOHAN PULIKKAL
SRI.R.SUDHIR
SMT.MANJU RAJAN
SRI.P.P.NARAYANAN

RESPONDENT:

THE COMMISSIONER OF INCOME TAX
KOTTAYAM

BY SRI.JOSE JOSEPH, SC, FOR INCOME TAX

THIS INCOME TAX APPEAL HAVING COME UP FOR ADMISSION ON 05-08-2015, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

APPENDIX

APPELLANT'S ANNEXURES:

ANNEXURE – A : TRUE COPY OF THE TRUST DEED DATED 02-02-2010

ANNEXURE – B : TRUE COPY OF THE SUPPLEMENTARY TRUST DEED DATED 28-12-2010.

ANNEXURE – C : TRUE COPY OF THE LETTER DATED 23-08-2011 FROM THE INCOME TAX OFFICER, THIRUVALLA.

ANNEXURE – D : TRUE COPY OF THE LETTER DATED 17-08-2011 FROM THE JOINT COMMISSIONER OF INCOME TAX, KOTTAYAM.

ANNEXURE – E : TRUE COPY OF THE ORDER DATED 01.09.2011 OF THE COMMISSIONER OF INCOME TAX, KOTTAYAM.

ANNEXURE – F : TRUE COPY OF THE ORDER DATED 28-06-2013 OF THE INCOME TAX APPELLATE TRIBUNAL, COCHIN BENCH, IN ITA NO.547/COCH/2011.

ANNEXURE – G : A TRUE COPY OF THE ORDER DATED 18-03-2014 OF THE COMMISSIONER OF INCOME TAX, KOTTAYAM.

ANNEXURE – H : SPECIMENS OF THE ALPHABETS DEVISED BY THE APPELLANT TRUST.

ANNEXURE – I : PHOTOGRAPHS OF THE ACTIVITIES OF THE LEARNING CENTRES RUN BY THE TRUST.

ANNEURE – J : TRUE COPIES OF THE ACITVITY REPORTS OF THE TRUST DURING THE YEAR 2011, 2012 AND 2013.

ANNEXURE – K : TRUE COPY OF THE ORDER OF THE INCOME TAX APPELLATE TRIBUNAL IN ITA NO.233/C/2014.

RESPONDENT'S ANNEXURES: NIL

//TRUE COPY//

P.A. TO JUDGE

smv

ANTONY DOMINIC
&
SHAJI P. CHALY, JJ.

I.T.A. No.153 of 2015

Dated this the 5th day of August, 2015

JUDGMENT

Antony Dominic,J.

Appellant is a trust. Their application for registration under Section 12AA of the Income Tax Act was rejected. That was confirmed by the Commissioner of Income Tax and also the Tribunal. It is in these circumstances, the appellant has filed this appeal.

2. We heard the learned counsel for the appellant and the learned Government Pleader appearing for the respondent.

3. Evaluating the facts of the case, the Tribunal has held thus:

> "x x x x x x x x x x x x x x x x x
> The CIT, therefore opined that the objects pertain to charitable and religious activities. However, on a perusal of the Income & Expenditure A/c for the year ended 31.03.2012 & 31.03.2013, it is seen that the majority of the expenses incurred mainly relates to

> administrative expenses, viz., advertisement expenses, allowance to staff, audit fee, bank charges, honorarium, incentive to staff, maintenance, rent, salary to staff, stipend, travel expenses. The sum total of the above items of expenditure comes to around Rs.22,84,224/- out of the total income of Rs.25,89,124/- for the year ended 31.03.2012. Similarly for the year ended 31.03.2013, out of the total income of Rs.36,00,305/- an amount of Rs.28,98,300/- has been expended on account of administrative expenses. Thus, the CIT observed that only a negligible amount has been utilized for any charitable or religious activities for the above period. He further noted that there are only three trustees and the activities are seen carried out as if it is a business concern. x x x x x x x x x x x x x
> x x x x x x x x x x x x x x x ”

4. These facts are undisputed. This, therefore, shows that the appellant is not carrying on any activity entitling it for registration under Section 12AA of the Income Tax Act. In such a case, we do not find any fault in the orders impugned rejecting

the application of the appellant and confirming the same.

Appeal fails and accordingly it is dismissed.

Sd/-
ANTONY DOMINIC
JUDGE

Sd/-
SHAJI P. CHALY
JUDGE

smv