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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ ITA 845/2016 & CM No. 43732/2016

COMMISSIONER OF INCOME TAX (EXEMPTION) ..... Appellant
Through: Mr. P. Roychoudhuri, Adv.

versus

SOCIETY FOR PARTICIPATORY RESEARCH IN ASIA ..... Respondent
Through: Mr. Ajay Vohra, Sr. Adv. with Mr. Rohit Jain and Mr. Aniket D. Agrawal, Advs.

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MR. JUSTICE NAJMI WAZIRI

<u>O R D E R</u>

% 25.11.2016

The standard question of law sought to be urged is whether having regard to the facts of the case the Income Tax Appellate Tribunal (ITAT) acted in accordance with law in holding that the proviso to Section 2(15) of the Income Tax Act, 1961 was not attracted so as to deny the benefit of Section 11 of the Act.

The assessee was a recipient of research and training grant and other income to the tune of Rs. 1.36 crores. The Assessing Officer (AO) determined that the latter were commercial receipts and guided by proviso to Section 2(15) and held that the assessee could not avail the benefit under Section 11(23) of the Act. The ITAT relied upon the judgment in the case of ***India Trade Promotion Organisation vs Director General of Income Tax (2015) 371 ITR 333*** which had observed that that as long as the predominant activity of an institution is not business or commerce, and that the so called suspect income is derived on the basis of some subsidiary or incidental activity, the exemption cannot be denied.

This court notices that the reasoning in ***India Trade Promotion Organisation*** (supra) has been affirmed and applied in several other judgments, therefore, no question of law arises.

The appeal is, consequently, dismissed.

S. RAVINDRA BHAT, J

NAJMI WAZIRI, J

NOVEMBER 25, 2016/kk