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

\+ **ITA 772/2016**

COMMISSIONER OF INCOME TAX (EXEMPTION)..... Appellant
Through: Mr. P. Roy Chaudhuri, Senior Standing Counsel.

Versus

PETROLEUM SPORTS PROMOTION BOARD ..... Respondent
Through: None.

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

O R D E R

% 11.11.2016

CM No.41160/2016 (for exemption)

Allowed, subject to all just exceptions.

The application stands disposed of.

ITA 772/2016

The question of law arises i.e. whether disallowance of Rs.10,72,772/- was justified in the circumstances of the case. The assessee is a Society. Some of the members of the assesse organization have gone abroad and part of their expenditure, in relation to the activities of the company, have been reimbursed.

The Assessing Officer disallowed the expenditure having regard to Section 11(1)(a) of the Income Tax Act, 1961 and relied upon an old decision of the Supreme Court, which had ruled that the State, in principle, cannot forego the revenue in favour of the charity outside.

This Court is of the opinion that, in the circumstances of the case, no question of law arises. The amount involved is less than the permissible limit entitling the Revenue to prefer an appeal. Even otherwise, there is no dispute that the expenditure incurred by the employees/officials was in connection with the work of the members of the organization, which tends to promote the petroleum sports.

The appeal is, therefore, dismissed.

S. RAVINDRA BHAT, J.

NAJMI WAZIRI, J.

NOVEMBER 11, 2016
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