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

\+ **ITA 1090/2017**

COMMISSIONER OF INCOME
TAX-(EXEMPTIONS) ..... Appellant

Through : Mr Harpreet Singh for Mr Zoheb Hossain, Advocate.

versus

M/S SOCIETY FOR PARTICIPATORY RESEARCH IN ASIA ..... Respondent

Through : None.

CORAM:
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MR. JUSTICE SANJEEV SACHDEVA

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

% **04.12.2017**

1. The question of law urged is whether the relief granted to the Assesse under Section 11 of the Income Tax Act, 1961, was correctly granted and immaterially overruled under Section 2(15) of the Act.

2. The Assessee is registered under Section 12A of the Act and declared '*Nil*' income for the Assessment Year 2011-2012. It had disclosed receipts from research and training grants to the tune of Rs.7,70,51,483/-. A show-cause notice issued subsequently sought explanation from Assessee that why such receipts should not be treated as '*commercial income*'. The Assessee resisted the notice; the Assessing Officer rejected the explanation and added the entire amount. The CIT (Appeals) confirmed the addition made. The

Income Tax Appellate Tribunal(ITAT), in the Assessee's appeal, noticed that for Assessment Year 2009-2010, similar amounts received – i.e. grants and other receipts were not characterised as '*commercial income'*.

3. The ITAT relied upon its own orders in previous cases as well as the judgment of this Court in *CIT versus Praxis Institute of Participatory Practices* : ITA 672/2015 dated 23.09.2015 and the judgment of the Supreme Court in *Queen's Educational Society versus CIT*, 372 ITR 699.

4. The decision of the ITAT, for the Assessment Years 2009-2010 & 2010-2011 were affirmed under similar circumstances of this Court in *Commissioner of Income Tax (Exemption) versus Society for Participatory Research in Asia*, ITA 845/2016 decided on 25.11.2016. On that occasion, this Court had also additionally relied upon *India Trade Promotion Organization versus Director General of Income Tax,* (2015) 371 ITR 333.

5. Since the facts and circumstances in this appeal are identical with the ITA No.845/2016, where no substantial question of law was framed, no substantial question of law arises in this Appeal as well.

6. The Appeal is accordingly dismissed.

S. RAVINDRA BHAT, J

SANJEEV SACHDEVA, J

DECEMBER 04, 2017
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