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% 10.01.2011

Present: Mr. Abhishek Maratha, Sr. Standing counsel with Ms. Anshul Sharma, Advocate for the appellant.

(Common order)

**+ITA Nos.1486/2010 & 1491/2010**

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The Director of Income Tax (Exemption) had refused the registration to the respondent society under Section 12A of the Income Tax and under Section 80G of the Income Tax Act, 1961 on the ground that the actual expenditure incurred by the assessee society for activities was nominal and it was insufficient to prove that the activities performed by the society were charitable in nature. In appeal preferred by the respondent before the tribunal, the respondent has succeeded and direction issued by the tribunal vide impugned judgment dated 6<sup>th</sup> January, 2010 directing the appellant to give the registration and exemption under the aforesaid provisions. We find from the impugned order of the tribunal that it had discussed threadbare various activities which were undertaken by the respondent society. These activities are clearly of charitable nature. The submission of the learned counsel for the appellant is that there is hardly any expenditure incurred by the society and from this it should be inferred that such activities were not undertaken by the respondent society. We are not agreeable with this submission of the learned



counsel for the appellant. Copies of the income and expenditure account for the year ending 31<sup>st</sup> March, 2007 and 2008 are produced alongwith the balance sheets. In so far as financial year 2006-07 is concerned income by way of donation was only Rs.43,857/-. In the next year income by way of donation was only Rs.73,011/-. There is no other source of income except nominal interest which was earned by keeping the aforesaid donations in the bank. The income and expenditure account for these two years clearly demonstrates that the assessee had spent on health education programmes as well as training programmes. The expenditure under these heads is not much obviously because of the reason that income generated by way of donations is also meager. Many activities which are enlisted by the Income Tax Appellate Tribunal in the impugned order as undertaken by the assessee would demonstrate that these activities do not require much expenditure like awareness of immunization programme, pulse polio, school admissions, health hygiene etc. We are of the opinion that the tribunal has recorded findings of fact and there is no reason to interfere with the same. No question of law arises.

Dismissed.

A handwritten signature in black ink, appearing to read 'A.K. Sikri'.

**A.K. SIKRI, J.**

A handwritten signature in black ink, appearing to read 'M.L. Mehta'.

**M.L. MEHTA, J.**

**JANUARY 10, 2011**

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