

IN THE INCOME TAX APPELLATE TRIBUNAL, JODHPUR BENCH,
JODHPUR

BEFORE SHRI B.P. JAIN, ACCOUNTANT MEMBER, AND
SHRI SUDHANSHU SRIVASTAVA, JUDICIAL MEMBER

ITA No. 402/JODH/2017

Mata Padmavati Shyamdaya
Charitable Trust
28, Sadar Bazar,
Sriganganagar

Vs.

The C.I.T.
[Exemptions]
Jaipur

PAN : AADTM 0526 A

[Appellant]

[Respondent]

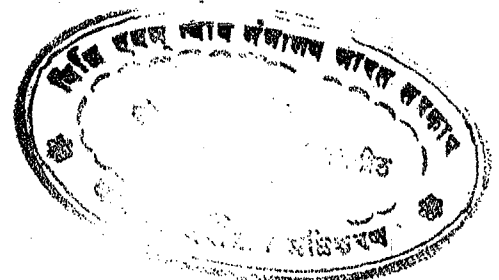
Date of Hearing : 07.02.2018
Date of Pronouncement : 20.02.2018

Assessee by : Shri Suresh Ojha, Adv
Revenue by : Shri K.C. Bhadok, CIT-DR

ORDER

PER B.P. JAIN, ACCOUNTANT MEMBER.

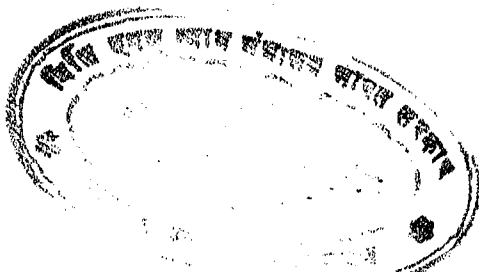
This appeal of the assessee arises from the order of Id. CIT(Exemptions) vide order dated 21.08.2017 passed u/s 80G(5)(vi) of the Income-tax Act, 1961. The assessee is aggrieved against the rejection of the application seeking exemption u/s 80G of the Act.



2. The brief facts of the case are that the assessee filed application in form No.10G on 30.03.2017 for seeking approval u/s 80G(5)(vi) of the Act. The assessee filed the details and the Id. CIT observed that the applicant has earned interest on deposit and no expenditure has been incurred for charitable activities and ultimately in para 6 of his order he held that no significant activity have been started by the applicant to achieve the object and therefore he denied the exemption applied by the assessee u/s 80G(5)(vi).

3. We have heard the rival contentions and perused the facts of the case. As regards the objects of the Trust the same are charitable and no defect in the same has been pointed out by the Id. CIT(Exemptions). The only objection by the Id. CIT(E) is that the assessee has not carried out any significant activities. In this regard it was submitted by the Id. AR as under:

“Regarding the charitable activities it is stated that during this period the assessee trust could receive only corpus donations with a restriction that only the income from these funds will be spent for the charitable purposes. The assessee trust kept these amounts in the bank accounts and earned the interest income. Out of this interest income on 30.01.2015 the assessee has made a donation of Rs:41,000/- to M/s. Apna Ghar Ashram Samity, Sri Ganganagar which is a registered trust and also having the exemption certificate u/s 80G. In the last two years the



assessee has earned the interest income which is sufficient to take some good project and so now the assessee is planning to take some big project. The first project in pipeline is to install the water vending machines on the public places. This is the project which the Indian Railway has also adopted for Railway Stations. Kindly issue the exemption certificate u/s 80G so that the assessee may take the general donations and could start the general activities of the trust. Uptill now the assessee is getting only the corpus donations which the assessee is not in a position to use."

From the said explanations of the assessee, the assessee has made a donation of Rs.41,000/- to a trust having exemption u/s 80G of the Act. If the assessee has not produced any evidence with regard to the same, the CIT could have made the enquiry which has not been done. The assessee has earned in the last 3 years bank interest of Rs.17028/- , 36865/- and Rs.98868/- only. When the assessee does not have the funds, how can it carry out the charitable activities beyond the availability of funds. The intention of the assessee cannot be doubted and CIT has not given any finding on this issue. The assessee has a plan to take bigger projects which has been explained before CIT(E) and CIT(E) has not given any finding on the same and has also not conducted any enquiry regarding the planning of the assessee. In the circumstances and facts of the case the assessee cannot be denied the



exemption u/s 80G and therefore the Id. CIT(E) is directed to give approval u/s 80G(5)(vi) as applied by the assessee. Thus all the grounds raised by the assessee are allowed.

4. In the result the appeal of the assessee in ITA No.402/Jodh/2017 is allowed.

The order is pronounced in the open court on 20.02.2018.

Sd-
[SUDHANSHU SRIVASTAVA]
JUDICIAL MEMBER

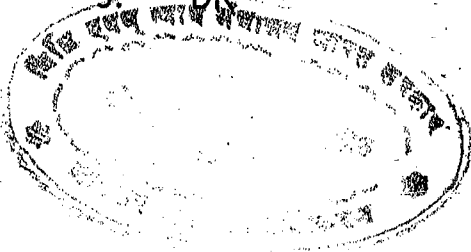
Sd-
[B.P. JAIN]
ACCOUNTANT MEMBER

Dated: 20th February, 2018

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1. Appellant *Mata. Padmayati. Shyamdaya. Sriganayagar*
2. Respondent
3. CIT
4. CIT(A)
5. DR



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Asst. Registrar,
ITAT, Jodhpur
Income Tax Appellate Tribunal
जोधपुर स्थायीपीठ, जोधपुर
Jodhpur Bench, Jodhpur