

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'B', NEW DELHI**

Before Sh. Bhavnesh Saini, Judicial Member

Dr. B. R. R. Kumar, Accountant Member

(E-Court Module)

ITA No. 7652/Del/2018 : Asstt. Year :

Delhi Police Education Fund, C/o Kapil Goel, Adv., F-26/124, Sector-7, Rohini, New Delhi-110085	Vs	CIT(Exemption), New Delhi
(APPELLANT)		(RESPONDENT)
PAN No. AACAD8780F		

Assessee by : Sh. Kapil Goel, Adv.

Revenue by : Ms. Nidhi Srivastava, CIT DR

Date of Hearing: 17.08.2020

Date of Pronouncement: 18.08.2020

ORDER

Per Dr. B. R. R. Kumar, Accountant Member:

The present appeal has been filed by the assessee against the order of the Id. CIT(Exemption), New Delhi dated 28.09.2018.

2. Following grounds have been raised by the assessee:

"1. That orders passed by Id. CIT(E) dated 28.09.2018 rejecting application of registration u/s 12AA is unsustainable and invalid where applicant is incorporated for purpose to grant scholarship and help in field of education which object fulfils the test of sectin 2(15) (definition of charitable purpose) and reasoning of Id. CIT(E) that applicant /fund does not cater to benefit of general public or section of public is clearly misconceived as providing scholarship and held in field of education is duly a object of general public utility and also falls in limb of educational activity."

3. The applicant filed an online application on 28.03.2018 in Form No. 10A seeking registration u/s 12AA of the Income Tax Act, 1961. The applicant was incorporated in the year 1989 vide the order of Commissioner of Delhi Police. The objects of the assessee include provision of educational assistance to children of Delhi Police personnel from the rank of Constable to ACP.

4. The Id. CIT(E) denied the registration u/s 12AA of the Act on the grounds that the assessee is not involved in welfare of general public utility and is limited to the wards of the Delhi Police personnel only.

5. During the hearing before us, the Id. AR argued that the assessee is involved in promoting the post Higher Secondary Education and fulfils the test of Section 2(15) of the Act, the definition of charitable purpose. He also relied on the judgment of the Hon'ble Delhi High Court in the case PHD Chamber of Commerce & Industry Vs DIT dated 19.10.2012. On the issue of general public or section of public, he relied on the judgment of Bank of India Employees Welfare Trust.

6. On the other hand, the Id. DR argued that the assessee's activities are limited to the wards of the Police personnel. Hence, it is not a wider public charitable trust. She also relied on the order of Hon'ble Supreme Court in the case of Ahmadabad Rana Caste Association 1972 AIR 273.

7. Heard the arguments of both the parties and perused the material available on record.

8. In the case of Bank of India Employees scheme, the registration u/s 12AA of the Act has been granted treating

provision of assistance towards the 'medical needs' of the employees is 'charitable purpose' as defined u/s 2(15) of the Act.

9. Section 2(15) of the Act reads as under:

"Charitable purpose includes,

Relief of the poor, education, medical relief----- and the advancement of any other object of general public utility".

The Section also provides for as to what shall not be considered as a charitable purpose."

10. The case of Ahmadabad Rana Caste Association (supra) relied by the Id. DR rather supports the case of the assessee as the Hon'ble Apex Court. It was held an object beneficial to a section of public is an object of general public utility.

11. Since, as per the definition of Section 2(15) of the Act, "Education" is considered as charitable purpose and since the assessee stands involved in providing scholarship and help in field of education, is eligible for registration u/s 12AA of the Act.

12. In the result, the appeal of the assessee is allowed.

Order Pronounced in the Open Court on 18/08/2020.

Sd/-

(Bhavnes Saini)
Judicial Member

Dated: 18/08/2020

Subodh

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-

(Dr. B. R. R. Kumar)
Accountant Member

ASSISTANT REGISTRAR