

**IN THE INCOME TAX APPELLATE TRIBUNAL  
VISAKHAPATNAM BENCH, VISAKHAPATNAM**

**BEFORE SHRI V. DURGA RAO, HON'BLE JUDICIAL MEMBER &  
SHRI D.S. SUNDER SINGH, HON'BLE ACCOUNTANT MEMBER**

**ITA No. 390/VIZ/2015  
(Asst. Year : 2014-15)**

Hamsavahini Educational Society, D.No. 3-284,  
ADB Road, Vakalapudi,  
Kakinada, E.G. District vs. CCIT, Visakhapatnam.

PAN No. AAAAH 0287 P  
(Appellant)

(Respondent)

Assessee by : Shri P. Prabhakara Murthy - Adv.  
Department By : Shri T.S.N. Murthy - CIT DR

Date of hearing : 13/04/2018.  
Date of pronouncement : 18/04/2018.

**ORDER**

**PER V. DURGA RAO, JUDICIAL MEMBER**

This appeal by the assessee is directed against the order of Chief Commissioner of Income Tax, Visakhapatnam, dated 30/09/2015 for the Assessment Year 2013-14.

**2.** Facts of the case, in brief, are that assessee M/s.Hamsavahini Educational Society filed an application in Form No. 56D seeking exemption under section 10(23C)(vi) of the Income Tax Act, 1961 (hereinafter referred to as 'Act'). The Id.CCIT, rejected the exemption on the ground that one of the

objects of the assessee "to provide facilities for indoor and outdoor games for the recreation of members" is not an educational object.

**3.** On being aggrieved, assessee carried the matter in appeal before the Tribunal.

**4.** Ld. counsel for the assessee has submitted that the main object of the assessee is to provide education and, therefore, exemption under section 10(23C)(vi) may be granted to the assessee-society.

**5.** On the other hand, Id. Departmental Representative has submitted that approval under section 10(23C)(vi) can avail in a case, where assessee carrying only education and not with the other objects.

**6.** We have heard both the sides, perused the material available on record and orders of the authorities below.

**7.** The assessee society existed with the following objects:-

- (i) to establish schools in Andhra Pradesh and to promote literacy; and
- (ii) to provide facilities for indoor and outdoor games for the recreation of members.

With the above objects, assessee filed an application before the Id.CCIT for approval under section 10(23C)(vi) of the Act. Section 10(23C)(vi) reads as under:-

*"any university or other educational institution existing solely for educational purposes and not for purposes of profit, other than those mentioned in sub-clause (iiiab) or sub-clause (iiiad) and which may be approved by the prescribed authority."*

8. From the above, it is very clear that Id.CCIT can grant the approval only in the case where assessee existed solely for educational purposes. In the present case, the assessee is also providing facilities for indoor and outdoor games for recreation of members, is not covered under the purview of section 10(23C)(vi). Therefore, Id. CCIT has rightly rejected to grant approval to the assessee society under section 10(23C)(vi) of the Act. We find no infirmity in the order passed by the Id.CCIT. Thus, this appeal filed by the assessee is dismissed.

9. In the result, appeal filed by the assessee is dismissed.

Order Pronounced in open Court on this 18<sup>th</sup> day of April, 2018.

Sd/-  
**(D.S. SUNDER SINGH)**  
Accountant Member

sd/-  
**(V. DURGA RAO)**  
Judicial Member

**Dated : 18<sup>th</sup> April, 2018.**

vr/-

Copy to:

1. The Assessee-Hamsavahini Educational Society,  
D.No. 3-284, ADB Road, Vakalapudi, Kakinada,  
E.G. District.
2. The Revenue – CCIT, Visakhapatnam.
3. The Pr.CIT-2, Visakhapatnam.
4. The D.R., Visakhapatnam.
5. Guard file.

By order

(VUKKEM RAMBABU)  
Sr. Private Secretary,  
ITAT, Visakhapatnam.

