

**IN THE INCOME TAX APPELLATE TRIBUNAL
DIVISION BENCH 'A', CHANDIGARH**

BEFORE SHRI SANJAY GARG, JUDICIAL MEMBER
AND MS. ANNAPURNA GUPTA, ACCOUNTANT MEMBER

ITA No.685/Chd/2017
(Assessment Year : 2012-13)

The D.C.I.T.,
Circe-1(Exemptions),
Chandigarh.

Vs.

Amritsar Improvement Trust,
C-Block, Ranjit Avenue,
Amritsar.

PAN: AAJFA4492K
(Appellant)

(Respondent)

Appellant by : Shri Ram Mohan Singh, CIT DR

Respondent by : S/Shri Salil Kapoor, Adv.
& Sanat Kapoor, Adv.

Date of hearing : 20.03.2018

Date of Pronouncement : 18.06.2018

ORDER

Per Sanjay Garg, Judicial Member :

The present appeal has been preferred by the Revenue against the order of Ld. Commissioner of Income Tax (Appeals)-2, Amritsar (hereinafter referred to as 'Ld.CIT (Appeals)'] dated 19.1.2017, passed u/s 250(6 of the Income Tax Act, 1961 (in short 'the Act') in Appeal No.82/2015-16 relating to assessment year 2012-13.

2. The Revenue is aggrieved by the action of the CIT (Appeals) in allowing the claim of exemption to the assessee trust under section 11 of the Act.

3. At the outset, the Ld. counsel for the assessee has submitted that in this case, the Assessing Officer had made the impugned addition while relying upon the decision of

the Amritsar Bench of the Tribunal dated 15.1.2013 in the own case of the assessee for assessment years 2006-07 and 2007-08, wherein it was held that the Amritsar Improvement Trust did not qualify for exemption under section 11 of the Act.

4. However, the assessee preferred appeal against the order of the Tribunal dated 15.1.2013 before the Hon'ble Punjab & Haryana High Court. The Hon'ble High Court set aside the order of the Tribunal and remanded the matter to the file of the Tribunal vide order dated 6.8.2014.

5. In the set aside proceedings, the I.T.A.T., Amritsar Bench vide its order dated 10.9.2015 decided the issue in favour of the assessee and held that the assessee was entitled to the benefit of section 11 r.w.s. 2(15) of the Act and the development activities of the assessee were held to be falling under the purview and scope of object of general public utility.

6. The Ld.CIT(Appeals) following the decision of the Tribunal dated 10.9.2015 in the own case of the assessee for assessment year 2004-05 to 2007-08 held that the assessee trust qualify for exemption u/s 11 of the Act and that the activities of the trust of planned development of cities and towns was an object of public utility covered u/s 2(15) of the Act. He, therefore, allowed the appeal of the assessee.

7. Being aggrieved by the above order of the CIT(Appeals), the Revenue has preferred the present appeal before this Tribunal. The Ld. counsel for assessee at the outset has invited our attention to the order of the Hon'ble Jurisdictional Punjab & Haryana High Court dated 23.12.2016 passed in the own case of the assessee bearing ITA No.76/2016 alongwith other appeals wherein the Hon'ble High Court following its decision passed in ITA No.147/2016 titled as CIT(E) Vs. Improvement Trust, Moga has dismissed the appeals of the Revenue. It is pertinent to notice here that in the case of Improvement Trust, Moga, which was decided alongwith the case of Tribune Trust Vs. CIT, reported in (2016) 76 Taxmann.com 363 (P&H), the Hon'ble High Court has held that the assessee, namely Moga Improvement Trust is undoubtedly an authority constituted by or under a law, namely, the Punjab Town Improvement Act, 1922. Further, it is engaged for the purpose of dealing with and satisfying the need for housing accommodation. It is also constituted for the purpose of planning, development of improvement of cities, towns and villages or both as is evident from sections 22 to 28 of the Punjab Town Improvement Act, 1922. The Hon'ble High Court considering the above activities of Moga Improvement Trust held that the same would fall within the meaning of advance of any other object of general public utility as specified u/s 2(15) of the Act.

As discussed above, following the said decision in the case of Moga Improvement Trust dated 23.12.2016 (supra), the appeal of the Revenue in the own case of the assessee, therefore, was dismissed. The Ld.CIT(Appeals) has followed the order of the Tribunal dated 10.9.2015 (supra), which has been further upheld by the Hon'ble High Court. In view of this, there is no merit in the appeal of the Revenue. The same is accordingly, dismissed.

10. In the result, the appeal of the Revenue stands dismissed.

Order pronounced in the open court on 18.06.2018.

Sd/-

(ANNAPURNA GUPTA)
ACCOUNTANT MEMBER

Dated : 18th June, 2018
Rati

Copy to:

1. The Appellant
2. The Respondent
3. The CIT(A)
4. The CIT
5. The DR

Sd/-

(SANJAY GARG)
JUDICIAL MEMBER

Assistant Registrar,
ITAT, Chandigarh