

आयकर अपीलिय अधिकरण, 'सी' न्यायपीठ, चेन्नई
**IN THE INCOME TAX APPELLATE TRIBUNAL
'C' BENCH, CHENNAI**

श्री मनु कुमार गिरि, न्यायिक सदस्य एवं श्री एस. आर. रघुनाथा, लेखा सदस्य के समक्ष

**BEFORE SHRI MANU KUMAR GIRI, HON'BLE JUDICIAL MEMBER
AND SHRI S. R. RAGHUNATHA, HON'BLE ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.: 126/Chny/2024

निर्धारण वर्ष / Assessment Year: 2018-19

ICF Silver Jubilee Nursery &
Primary School,
Konnur High Road,
Chennai – 600 038.

Deputy Commissioner of Income
Tax,
Non Corporate Ward -10(1),
Chennai.

[PAN: AABAI-0461-P]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Shri. D. Anand, Advocate

प्रत्यर्थी की ओर से/Respondent by : Ms. R. Anita, Addl. CIT

सुनवाई की तारीख/Date of Hearing : 04.02.2025

घोषणा की तारीख/Date of Pronouncement : 14.02.2025

आदेश / ORDER

PER S. R. RAGHUNATHA, ACCOUNTANT MEMBER:

This appeal by the assessee is filed against the order of the Commissioner of Income Tax (Appeals), National Faceless Appeal Centre (NFAC), Delhi, for the assessment year 2018-19, vide order dated 20.11.2023

2. The assessee has raised the following grounds of appeal:

1. "The Order of the Commissioner of Income Tax (Appeals) relevant to the AY 2018-19 dt. 20.11.2023 is opposed to law, facts and circumstances of the case.
2. The Id. Commissioner of Income Tax (Appeals)- (CIT(A)) has erred by denying the exemption claimed by the Appellant

u/s.10(23C)(iii)(ad) thereby disallowing an amount of Rs.60,07,830/- representing net surpluses of two different schools i.e. ICF Silver Jubilee Nursery school ICF Silver Jubilee Primary school.

- 3. The Id. CIT(A) has not considered the Grounds of Appeal filed by the Appellant and has adjudicated on the wrong grounds which is irrelevant to the case of the Appellant. Reference is drawn to Page No. 2 of the Appellate Order dt. 20.11.2023. A copy of our Grounds of Appeal submitted before the Id. CIT(A) is attached as Annexure.*
- 4. The Id. CIT(A) has failed to consider the entire Grounds of Appeal, Statement of Facts, written submissions and judicial pronouncements relied on by the Appellant and has denied the rightful exemption u/s.10(23C)(iii)(ad) of the Income Tax Act, 1961.*
- 5. The Id. CIT(A) has passed the order without application of mind by not considering the Statement of facts produced by the Appellant and has dismissed the appeal by vaguely stating that the contentions of the Appellant are unclear and that the claim of the Appellant is not in compliance with the provisions of the Income Tax Act, 1961.*
- 6. The Id. CIT(A) did not consider the fact that the Appellant Society is running two separate educational institutions i.e. Nursery school (Kinder Garten - LKG and UKG) and Primary school (1st Standard to 5th Standard) for which two different licenses/Government approvals have been obtained.*
- 7. The Id. CIT(A) has ignored the fact that each separate educational institutions run by the Appellant have received gross receipts below Rs. 1 Crore only.*

*Nursery School (Kinder Garten - LKG and UKG)
Rs.66,71,450/-*

*Primary School (1st Standard to 5th Standard) students
Rs.91,38,932/-*

Such income earned by the Appellant society, being formed solely for educational purposes, is exempted from tax in the hands of Appellant as per the provisions of Section 10(23C)(iiiad) of the Act read with Rule 2BC of the Income Tax Rules, 1962 ("the Rules")

8. The Appellant has placed reliance on the following judgements which have similar set of facts of that of the Appellant wherein the courts have held that,

i. *CIT vs Children's Education Society [2013] 358 ITR 373/34 taxmann.com 285 (Kar.)*

Section 10(23C) of the Income-tax Act, 1961 - Charitable/religious purpose (Society running institutions for educational purpose) - Assessment year 2005-06 - Whether where assessee- society runs several educational institutions, in terms of section 10(23C)(iii)(ad), income from each educational institution if they are not receiving any aid from government wholly or substantially in respect of which aggregate annual receipt does not exceed Rs. 1 crore received by assessee, is not included while computing annual total income of assessee - Held, yes [Para 22] [In favour of assessee]

ii. *DCIT vs. Jat Education Society [2011] 10 taxmann.com 127 (Delhi)*

Section 10(23)(iiiab) of the Income-tax Act, 1961, r.w.r 2BC of the Income-tax Rules, 1962 - Educational institutions - AYS 2003-04 and 2004-05 - Assessee-society was running several educational institutions - In course of assessment, AO found that aggregate of annual gross receipts of three educational institutions run by assessee exceeded monetary limit of Rs.1.00 crore as prescribed in rule 2BC of 1962 Rules Accordingly, Assessing Officer held that income of those institutions was not exempt under section 10(23C) - Whether aggregate annual receipt below Rs. 1 crore had to be seen for each educational institution separately and for that purpose, annual gross receipts of all three educational institutions could not be considered collectively to be eligible for exemption under section 10(23)(iiiad) - Held, yes -Whether since each of educational institution was having annual gross receipt of less than Rs. one crore, income of those institutions was exempt from tax -Held, yes

iii. *CIT vs. Shanti Devi Educational Trust [2019] 102 taxmann.com 141*

obtaining registration under Section 12AA of the Act was not mandatory for claiming exemption under section 10(23C)(iiiad) of the Act. According to this provision, any income received by any person on behalf of any university or other educational

institution existing solely for educational purposes and not for the purpose of profit is exempt if the aggregate annual receipt of such university or educational institute does not exceed the amount of annual receipt as may be prescribed". "It is held that, Total income of society running that school or university is not to be considered under that section. Income from interest and FDRs was an additional income of society and cannot be considered to be part of annual receipt of the school. It was held that the assessee was eligible for exemption under section 10(23C)(iiiad) of the Act as annual school receipts did not exceed 1 crore."

- iv. *Pawan Hans Swami Uma Bharti Mission vs. ACIT [2013] 29 taxmann.com 223 (Delhi - Trib.)*

Section 10(23C) of the Income-tax Act, 1961 - Educational Institutions - Annual receipts - Assessment year 2006-07 - Whether in terms of provisions of section 10(23C)(iiiad), annual receipts of school or university may be taken into consideration and not total income of society running that school or university - Held, yes [Para 8] [In favour of assessee].

which should have been considered at the time of passing of order by Id. CIT(A)

9. *For these and such other grounds that may be adduced at the time of hearing, it is prayed that the addition may be directed to be deleted. "*

3. The brief facts of the case are that, the assessee is a society duly registered under Societies Registration Act, 1860 for the year 1964 and running two educational institutions providing quality education. It is formed by the Central Government in the year 1964 existing solely for education purposes and not for the purpose of profit. The management and administration are taken care by the Integral Coach Factory School Management Committee consists of ICF (Railways) and

the Principals/Head Masters of the schools, employee, union of ICF. The main objective of the assessee is to provide education to the children of around 10,000 employees of the ICF and to the general public. The assessee is running a nursery and primary schools situated at Chennai, offering education to nursery (kinder garden, LKG & UKG) and primary (1st to 5th Standard) of around 1,000 students. During the assessment year 2018-19, the assessee has not filed return of income. Based on the information, the Assessing Officer found that the assessee has deposited cash of Rs.1,25,22,839/- to the bank account and also earned interest of Rs.51,055/- during the year and issued a notice u/s. 148 of the Act for reopening of assessment u/s. 147 of the Act. In response to the statutory notices issued by the Assessing Officer, the assessee filed a detailed reply on 30.01.2023 stating that the assessee's society is providing two streams of education i.e, nursery (kinder garden, LKG & UKG) and primary (1st to 5th standard) under the State Government syllabus to the students at Chennai. Further, the assessee stated that the fees collected from the students is the source of income of the assessee and the same has been deposited into bank account and furnished the bank statements along with the duly audited financial statements. The assessee

also stated that during the assessment year 2018-19 i.e., (financial year 2017-18) has earned commission amounting to less than Rs.1.00 crore from primary school and nursery school respectively. The assessee is existing solely for educational purpose and annual income earned during the year does not exceed Rs.1.00 crore from each school i.e., nursery school and primary school and hence, the society is exempted from tax as per the provisions of section 10(23C)(iiia) of the Act r.w.r. 2BC of I.T. Rules, 1962.

4. On perusal of the submissions made by the assessee, the Assessing Officer was not convinced and passed an order dated 11.03.2023 u/s.147 r.w.s. 144 r.w.s. 144B of the Act by holding as under:

"8. The Assessee has submitted its response dated 06.03.2023 against show cause notice dated 03.03.2023. Assessee's reply is considered but found unacceptable As per Section 10(23C)(iia) of the IT Act, 1961.

Amount of annual receipts for the purposes of sub-clauses (iiia) and (iiiae) of clause (23C) of section 10.

2BC. (1) For the purposes of sub-clause (iia) of clause (23C) of section 10, the amount of annual receipts on or after the 1st day of April, 1998, of any university or other educational institution, existing solely for educational purposes and not for purposes of profit, shall be one crore rupees.

(2) For the purposes of sub-clause (iiiae) of clause (23C) of section 10, the amount of annual receipts on or after the 1st day of April, 1998, of any hospital or other institution for the reception and treatment of persons suffering from illness or mental

defectiveness or for the reception and treatment of persons during convalescence or of persons requiring medical attention or rehabilitation, existing solely for philanthropic purposes and not for purposes of profit, shall be one crore rupees.]

From the above, it is clear that as per section 10(23C)(iiad) of the IT Act, 1961 the educational institutes who received below Rs.1.00 Cr. annually are eligible for exemption, but the assessee society has annual received Rs. 1,25,22,839/- which is more than Rs. 1 Cr., hence, the society is not qualifying for exemption as per section 10(23C)(iiad) of the I.T.Act, 1961.

9. In view of the above and facts and circumstances of the case the income is assessed is as follows:

Returned Income	Rs. NIL
Add: Difference as discussed above	Rs. 60,07,821
Total Income	Rs.60,07,821
Assessed Income	Rs.60,07,830"

Aggrieved by the order of the Assessing Officer, the assessee preferred an appeal before the Id.CIT(A), NFAC.

5. During the appellate proceedings before the Id.CIT(A), the assessee submitted that the society has earned gross receipts from both the schools during the assessment year 2008-09 as detailed below:

Streams of Education	Nature of Education	Amount
Primary School	1 st std to 5 th Std	Rs.91,38,932
Nursery School	Kinder Garten - LKG & UKG	Rs.66,71,450
	Total	Rs.1,58,10,382

6. The said receipts have been deposited to the common bank account held by the society for convenience in managing the day-to-day operations and management. The cash deposited into bank account, receipts of fees collected in the educational institutions and the same has been shown in the audited financial statements along with the supported bank statements. Further, the assessee stated that since the annual income is less than Rs.1.00 crore from each school i.e., nursery school and primary school and existing solely for educational purposes, is exempted from tax in the hands of the assessee as per the provisions of section 10(23C)(iiiad) of the Act r.w.r. 2BC of I.T. Rules, 1962. Further, the assessee relied on various judicial precedents wherein the Hon'ble Courts have held that each educational institution is a separate entity controlled under various status for various purposes even though the management of these institutions would be in the hands of one society, but for all other purposes they are different and independent entities.

- i. CIT vs Children's Education Society [2013] 358 ITR 373/34 taxmann.com 285 (Kar.)
- ii. DCIT vs. Jat Education Society [2011] 10 taxmann.com 127 (Delhi)

- iii. CIT vs. Shanti Devi Educational Trust [2019] 102 taxmann.com 141
- iv. Pawan Hans Swami Uma Bharti Mission vs. ACIT [2013] 29 taxmann.com 223 (Delhi - Trib.)

7. After perusal of the submissions made by the assessee, the Id.CIT(A), NFAC not convinced and hence, upheld the order of the Assessing Officer by dismissing the appeal of the assessee vide order dated 20.11.2023 by holding as under:

"7.2.1 The Ld. A.O. further given his observation in para 5 & para 7, which is reproduced as under:-

"5. It is submitted by the assessee as namely ICF Silver Jubilee Nursery & Primary School, Konnur High Road, Chennai, assessee, that the society is running educational institution Tamil Nadu. The assessee has declared income u/s 10(23C) (iiad) as the income is below Rs.1.00 Crores and is engaged wholly and exclusively for education purpose and not for the purpose of profit. As per information it is noticed that the Assessee has deposited cash at Rs.1,25,22,839/- in the Current Bank account, and received interest other than interest on securities Rs.51,055/-, The assessee has submitted their reply along with Registration of Society, Memorandum of Association, list of members list of Key persons, Balance Sheet, Total Income Statement, and Computation of Income, etc.

7. After perusal of assessee's submission it is found that the assessee got Rs.1,25,22,839/- as total receipt. The assessee was not filed their ITR for the year under consideration. As the assessee is not eligible for exemption u/s.10(23C)(iiad). Hence, Rs.60,07,821/- (1,58,10,382-98,02,561) is to be disallowed and added, and assessed as income of the assessee. Penalty proceeding u/s.270A of the I.T. Act, 1961 for under reporting inconsequent misreporting of income is initiated separately."

7.2.3 It is noticed by me that the appellant has made contention before the A.O. that his annual receipts is less than Rs.1 crore. During the appellate proceedings, the appellant claims that his

receipts are at Rs.66,71,450/- and it is due to common bank account of primary and nursery school so the said amount exceed Rs. 1 crore. However, it is further noticed by me that once the society is same and an education institute is being running how the receipts can be bifurcated. The appellant also made alternative argument that the income (instead of turnover) is less than one crore which is falling u/s 1o(23C)(iiad) of the Act, 1961. I found the contention of the applicant unclear and not according to the provisions of the Act, 1961. The said section is very clear, the amount of turnover should be taken not income and on the basis of information available the appellant is not entitled to claim exemption under said section. The grounds of the appellant are dismissed."

Aggrieved by the order of the Id.CIT(A), the assessee preferred an appeal before us.

8. The Id.AR of the assessee assailing the action of the Id.CIT(A) stated that the Id.CIT(A) has erred in dismissing the appeal of the assessee even though the assessee has provided details of both the institutions which are running independently before us, the Id.AR furnished the return of income which has been filed on 07.03.2023 for the assessment year 2018-19 u/s. 139(4c) of the Act, wherein the assessee has shown the details of institution separately as nursery school which had an aggregate annual receipt of Rs.66,71,450/- and primary school which had aggregate annual receipt of Rs.91,38,932/-. Further, the Id.AR submitted that the assessee is running two schools for providing education to the children of ICF employees along with

general public in the form of nursery school and primary school separately. The Id.AR also stated that as per the Article 21A of the Constitution of India, the basic education is provided to the children of age group from 6 to 14 years mandatorily and the nursery education is provided separately with a state regulations and hence, both the streams of education are different from each other and hence, for the purpose of exemption u/s.10(23C)(iiiad) of the Act both are separate entities and hence, eligible for gross collection of Rs.1.00 crore. The relevant extract of section 10(23C)(iiiad) of the Act r.w.r. 2BC of I.T. Rules, 1962 are reproduced as below:

"Section 10(23C) any income received by any person on behalf of—

(iiiad) any university or other educational institution existing solely for educational purposes and not for purposes of profit if the aggregate annual [receipts of the person from such university or universities or educational institution or educational institutions do not exceed five crore rupees]

Rule 2BC (1) For the purposes of sub-clause (iiiad) of clause (23C) of section 10, the amount of annual receipts on or after the 1st day of April, 1998, of any university or other educational institution, existing solely for educational purposes and not for purposes of profit, shall be one crore rupees."

9. Further, the Id.AR submitted that in support of the claim of the assessee for treating both the institutions independently for the purpose of eligibility of exemption u/s.10(23C)(iiiad) of the Act relied on the decision of Hon'ble High Court of Karnataka

in the case of CIT vs Children's Education Society [2013] 358 ITR 373/34 taxmann.com 285 (Kar.), wherein the Hon'ble Court held as under:

"Each educational institution is a separate entity controlled under various statutes for various purposes. May be the Management of these educational institutions would be in the hands of the Societies or the Trust, but for all other purposes they are different, independent entities. That is the reason why Section 1023C) is worded as under:

"Any income received by any person on behalf of .. "

Here "any person" refers to the assessee and "on behalf of" refers to such institutions. It may be a University, it may be an educational institution, it may be a hospital or other institutions of similar nature. As all such institutions are independent entity and they generate income and when that income is received by the assessee, it becomes the income in the hand of the assessee and it is such income which is sought to be excluded while computing the total income of the assessee under Section 10. The test prescribed under the aforesaid provision is' not the income of the educational education. It is the aggregate annual receipts of such educational institution that is prescribed at Rs. 1 crore. Therefore, irrespective of the expenditure incurred by those institutions, the exemption is based on the total receipts. Even if the word "aggregate" has to be understood as suggested by the Revenue as the annual receipts of such educational institutions put together, probably, the said provision regarding exemption would be of no use at all. Especially, if the society is running a medical college or any engineering college or other professional courses, then the annual receipt of each institution would run to few crores and therefore, the very object of granting exemption to such genuine institution would be lost. Therefore, the word "aggregate annual receipt" has to be understood with the context in which it is used and the purpose for which the said provision was inserted, keeping in mind, the Scheme of the Act. Therefore, if an assessee is running several educational institutions, if any of them is wholly or substantially financed by the Government, then the income from such educational institution received by the assessee is not included while

computing his total income. Similarly, income from each educational institution if they are not receiving any aid from the Government wholly or substantially in respect of which the aggregate annual receipt does not exceed Rs. 1 crore received by the assessee, is also not included while computing annual total income of the assessee",

The Appellant also places its reliance on the judgment issued by ITAT Delhi Bench in the case of DCIT vs. Jat Education Society wherein it was held that, Regarding prescribed amount of annual receipt, it was found that as per rule 2BC such prescribed limit is Rs. 1 crore as mentioned in section 10(23C)(iiiad). The Assessing Officer had considered the total receipts of three educational institutions being run by the assessee society whereas the claim of the assessee was that the same should be considered separately and accordingly the income of those institutions was fully exempt under section 10(23C)(iiiad). The case of the assessee was to be accepted and it was to be held that the claim of the assessee was to be considered on the basis of each educational institution separately. Hence, for the purpose of section 10(23C)(iiiad), the annual gross receipts of three educational institutions being run separately by the assessee society could not be clubbed together for examining the fulfilment of the conditions of receipt being less than the prescribed limit of annual gross receipts. If the annual gross receipts of those three educational institutions were considered separately, the same was below Rs. 1 crore in each year for each of those educational institutions".

The Appellant also places its reliance on the judgement made by Hon'ble High Court of Punjab-Haryana in the case of Commissioner of Income Tax vs. Shanti Devi Educational Trust. The extract of the case was given below for your consideration "As the trust was neither registered under section 12AA nor under section 10(23C) (vi) of the Act during the year under consideration, the excess of income over expenditure was chargeable to tax. The assessee trust had not filed its return of income for the assessment year 2007-08 relevant to the financial year 2006-07. Notice under Section 148 of the Act was issued and case was selected for scrutiny assessment obtaining registration under Section 12AA of the Act was not mandatory for claiming exemption under section 10(23C)(iiiad) of the Act. According to this provision, any income received by any person on behalf of any university or other educational institution existing

solely for educational purposes and not for the purpose of profit is exempt if the aggregate annual receipt of such university or educational institute does not exceed the amount of annual receipt as may be prescribed".

"It is held that, Total income of society running that school or university is not to be considered under hat section. Income from interest and FDRs was an additional income of society and cannot be considered to be part of annual receipt of the school It was held that the assessee was eligible for exemption under section 1023C(iiiad) of the Act as annual school receipts did not exceed '1 crore,"

The Appellant has also placed its reliance on the judgement made in the case of Pawan Hans Swami Uma Bharti Mission vs. ACIT [2013] 29 taxmann.com 223 (Delhi Trib.) it has been held by the Delhi bench of the ITAT that only annual receipt of school or university would be considered for deciding the exemption limit under section 10(23C)(iiiad).

and prayed for deleting the addition.

10. Per contra, the Id.DR stated that the assessee is running educational institution in the same building and the same teaching staff is teaching for both the entities as seen in the website of the society and hence, the decision of the Id.AO and that of the Id.CIT(A) in disallowing the exemption as claimed by the assessee needs to be upheld.

11. We have heard rival contentions perused the material available on record and gone through the orders of the authorities below. It is admitted fact that the assessee is a society duly registered under Societies Registration Act, 1860 in

the year 1964 formed by the Central Government existing solely for education purposes and not for the purpose of profit. The management and administration are taken care by the Integral Coach Factory School Management Committee consists of ICF (Railways) and the Principals/Head Masters of the schools, employee, union of ICF. The main objective of the assessee is to provide education to the children of around 10,000 employees of the ICF and to the general public. The assessee is running a nursery and primary schools situated at Chennai, offering education to nursery (kinder garden, LKG & UKG) and primary (1st to 5th Standard) of around 1,000 students.

12. During the assessment year 2018-19, the assessee has not filed return of income. Based on the information, the Assessing Officer found that the assessee has deposited cash of Rs.1,25,22,839/- to the bank account and also earned interest of Rs.51,055/- during the year and issued a notice u/s. 148 of the Act for reopening of assessment u/s. 147 of the Act. In response to the statutory notices issued by the Assessing Officer, the assessee filed a detailed reply on 30.01.2023 stating that the assessee's society is providing two streams of education i.e, nursery (kinder garden, LKG & UKG) and primary

(1st to 5th standard) under the State Government syllabus to the students at Chennai. Further, the assessee stated that the fees collected from the students is the source of income of the assessee and the same has been deposited into bank account and furnished the bank statements along with the duly audited financial statements. The assessee also stated that during the assessment year 2018-19 i.e., (financial year 2017-18) has earned gross receipts amounting to less than Rs.1.00 crore from primary school and nursery school respectively. The assessee is existing solely for educational purpose and annual income earned during the year does not exceed Rs.1.00 crore from each school i.e., nursery school and primary school and hence, the society is exempted from tax as per the provisions of section 10(23C)(iiiad) of the Act r.w.r. 2BC of I.T. Rules, 1962 and filed the return of income on 07.03.2023 u/s.139(4C) of the Act showing the gross receipts of Rs.66,71,450/- from Nursery school and Rs.91,39,932/- from Primary School. The AO has considered the entire receipts as revenue of the organization and hence assessed to tax without giving the benefit of section 10(23C)(iiiad) of the Act. The same was confirmed by the Id.CIT(A) stating that the assessee is having run both the

institutions in the same premises and maintaining one bank account and depositing fee receipts.

13. We note that the assessee is running two institutions during the assessment year 2008-09 and has collected the fees receipts as detailed below:

Streams of Education	Nature of Education	Amount
Primary School	1 st std to 5 th Std	Rs.91,38,932
Nursery School	Kinder Garten - LKG & UKG	Rs.66,71,450
	Total	Rs.1,58,10,382

The said receipts have been deposited to the common bank account held by the society. The cash deposited into bank account, receipts of fees collected in the educational institutions and the same has been shown in the audited financial statements along with the supported bank statements furnished before the lower authorities. We also note that the annual income is less than Rs.1.00 crore from each school i.e., Nursery school and Primary school and existing solely for educational purposes, is exempted from tax in the hands of the assessee as per the provisions of section 10(23C)(iiiad) of the Act r.w.r. 2BC of I.T. Rules, 1962.

14. Further, we agree that the above view is supported by the following judicial precedents relied by the assessee:

- i. CIT vs Children's Education Society [2013] 358 ITR 373/34 taxmann.com 285 (Kar.)

Section 10(23C) of the Income-tax Act, 1961 - Charitable/religious purpose (Society running institutions for educational purpose) - Assessment year 2005-06 - Whether where assessee-society runs several educational institutions, in terms of section 10(23C)(iii)(ad), income from each educational institution if they are not receiving any aid from government wholly or substantially in respect of which aggregate annual receipt does not exceed Rs. 1 crore received by assessee, is not included while computing annual total income of assessee - Held, yes [Para 22] [In favour of assessee]

- ii. DCIT vs. Jat Education Society [2011] 10 taxmann.com 127 (Delhi)
- iii. CIT vs. Shanti Devi Educational Trust [2019] 102 taxmann.com 141
- iv. Pawan Hans Swami Uma Bharti Mission vs. ACIT [2013] 29 taxmann.com 223 (Delhi - Trib.)

15. Therefore, in the present facts and circumstances of the case and following the judicial precedents cited supra, we are of the considered opinion that the Id.CIT(A) has erred in confirming the denial of exemption u/s. 10(23C)(iiiad) of the Act to the assessee for the impugned assessment year and hence we are setting aside the order of the Id.CIT(A) by allowing the grounds of appeal of the assessee.

16. In the result the appeal of the assessee is allowed.

Order pronounced in the open court on 14th February, 2025 at Chennai.

Sd/-
(मनु कुमार गिरि)
(MANU KUMAR GIRI)
न्यायिक सदस्य/**Judicial Member**

Sd/-
(एस. आर. रघुनाथा)
(S. R. RAGHUNATHA)
लेखासदस्य/**Accountant Member**

चेन्नई/Chennai,

दिनांक/Dated, the 14th February, 2025

JPV

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT- Chennai
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF