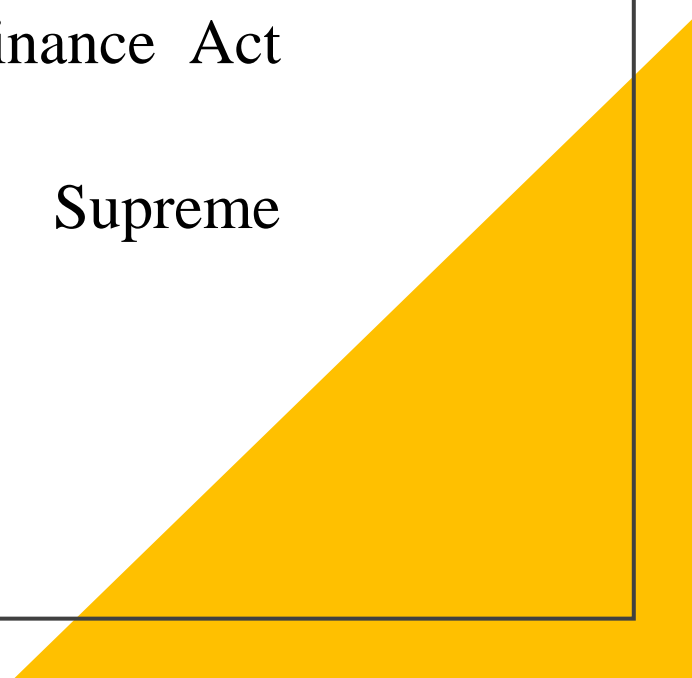


Taxation of Charitable Trusts & Institutions

Pune Branch of WIRC of
ICAI

CA Manoj Fadnis
Past President ICAI

Agenda

- Important Provisions
 - Amendments proposed Finance Bill 2023
 - Amendments as per Finance Act 2022
 - Recent Decisions of Supreme Court
- 
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Important Provisions

Sources of Application

S. No.	Particulars
1.	Corpus Donations
2.	Voluntary Contribution
3.	Income <ul style="list-style-type: none">• Receipts from Main Objects• Receipts from Incidental Objects• Rent• Commission• Dividend• Interest• Agricultural Income• Net Consideration on transfer of Capital Asset• Any other Income
4.	Surplus of Earlier Years
5.	Loans & Borrowings
6.	Trade Payables & Other Current Liabilities

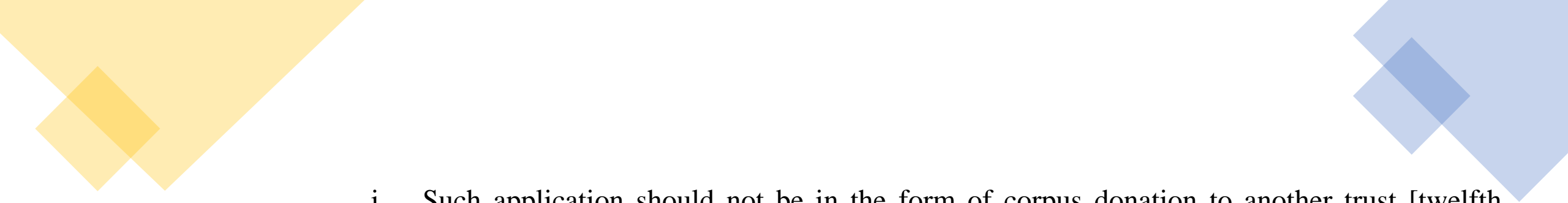
Exemptions to Trust/Institutions – Two Tax Regimes

FIRST REGIME


- Regime for any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in subclause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10 of the Act.


SECOND REGIME

- Regime for the trusts registered under section 12AA/12AB of the Act (hereinafter referred to as trust or institution under the second regime).




Application for Charitable or Religious Purpose- Conditions to be satisfied

- i. Such application should not be in the form of corpus donation to another trust [twelfth proviso to clause (23C) of section 10 of the Act for the trust or institution under first regime and *Explanation 2* to sub-section (1) of section 11 of the Act for the trust or institution under second regime];
 - ii. TDS, if applicable, should be deducted on such application [thirteenth proviso to clause (23C) of section 10 of the Act for the trust or institution under first regime and *Explanation 3* to sub-section (1) of section 11 of the Act for the trust or institution under second regime];
 - iii. Application whereby payment or aggregate of payments made to a person in a day exceeds Rs 10,000 in other than specified modes (such as cash) is not allowed (thirteenth proviso to clause (23C) of section 10 of the Act for the trust or institution under first regime and *Explanation 3* to sub-section (1) of section 11 of the Act for the trust or institution under second regime);
 - iv. Carry forward and set off of excess application is not allowed [*Explanation 2* to clause (23C) of section 10 of the Act for the trust or institution under first regime and *Explanation 5* to sub-section (1) of section 11 of the Act for the trust or institution under second regime];
- 



Application for Charitable or Religious Purpose- Conditions to be satisfied

- v. Application is allowed in the year in which it is actually paid [*Explanation 3* to clause (23C) of section 10 of the Act for the trust or institution under first regime and *Explanation* to section 11 of the Act for the trust or institution under second regime];
 - vi. Application should not directly or indirectly benefit any person referred to in sub-section (1) of section 13 of the Act and the income of the trust or institution should not enure any benefit to such person [twenty-first proviso to clause (23C) of section 10 of the Act for the trust or institution under first regime and clause (c) of sub-section (1) of section 13 of the Act for the trust or institution under second regime];
 - vii. Application should be in India except with the approval of the Board in accordance with the provisions of clause (c) of sub-section (1) of section 11 of the Act.
- 



Amendments proposed
Finance Bill 2023

Depositing back of Corpus and Repayment of Loans or Borrowings

- Application out of corpus shall not be considered as application for charitable or religious purposes for the purposes of third proviso of clause (23C) of section 10 of the Act and clauses (a) and (b) of section 11 of the Act. However, when it is invested or deposited back, into one or more of the forms or modes specified in sub-section (5) of section 11 of the Act maintained specifically for such corpus, from the income of the previous year, such amount shall be allowed as application in the previous year in which it is deposited back to corpus to the extent of such deposit or investment.

- Application from loans and borrowings shall not be considered as application for charitable or religious purposes for the purposes of third proviso of clause (23C) of section 10 of the Act and clauses (a) and (b) of section 11 of the Act. However, when loan or borrowing is repaid from the income of the previous year, such repayment shall be allowed as application in the previous year in which it is repaid to the extent of such repayment.

Example:

Year	Events	Remarks
1.	Receipt of 100 as Corpus Donation and invested in FD.	
2.	Used 25 from FD for purchase of Capital Asset	Not regarded as application
3.	10 deposited back in FD out of current income	10 will be considered as application

Proposed Changes



Amount deposited or invested in relating to application out of corpus or loans or borrowings before 01.04.2021 not to be considered as application.

Investment or depositing back to corpus should be within 5 years of application from corpus or loan or borrowing.

There should be no violation of statutory provision at the time the application was made from corpus or loan or borrowings.

Above amendments effective from A.Y. 2023-24.

Treatment of Donations to other Trusts

Conditions for claiming income of trust as exempt:

- At least 85% of income of the trust or institution should be applied during the year for the charitable or religious purposes to ensure bare minimum application for charitable or religious purposes.
- Trusts or institutions are allowed to either apply mandatory 85% of their income either themselves or by making donations to the trusts with similar objectives.
- If donated to other trusts or institutions, the donation should not be towards corpus to ensure that the donations are applied by the donee trust or institutions.
- Thus, every trust or institution under both the regimes is allowed to accumulate 15% of its income each year.

Proposed Change:

- It is proposed that only 85% of the eligible donations made by a trust or institution under the first or the second regime to another trust under the first or second regime shall be treated as application only to the extent of 85% of such donation.

Roll-Back of Exemptions

Second, Third, Fourth proviso to Section 12A(2) proposed to be omitted.

Second Proviso:

- **Provided further** that where registration has been granted to the trust or institution under section 12AA or section 12AB, then, the provisions of sections 11 and 12 shall apply in respect of any income derived from property held under trust of any assessment year preceding the aforesaid assessment year, for which assessment proceedings are pending before the Assessing Officer as on the date of such registration and the objects and activities of such trust or institution remain the same for such preceding assessment year:

Third Proviso:

- **Provided also** that no action under section 147 shall be taken by the Assessing Officer in case of such trust or institution for any assessment year preceding the aforesaid assessment year only for non-registration of such trust or institution for the said assessment year:

Fourth Proviso:

- **Provided also** that provisions contained in the first and second proviso shall not apply in case of any trust or institution which was refused registration or the registration granted to it was cancelled at any time under [section 12AA or section 12AB].

Roll-Back of Exemptions – Contd.

Rasipuram Rotary Club Trust & Anr. V. ITO (H.C. Madras) (2022) 442 ITR 185 (Mad)

- Corpus Donations, which are capital receipts, are liable to be taxed at normal rates, since the trust is not registered u/s 12AA, even though the trust is not claiming exemption u/s 11; Donations to a non registered trust will be treated as income u/s 56(2)(v)(now 56(2)(x))

Shree Bhanushali Mitra Mandal Trust v. ITO[2016] 68 taxmann.com 250 (Ahd. - Trib.)

- An assessment proceeding which is pending in appeal before the appellate authority should be deemed to be ‘assessment proceedings pending before the Assessing Officer’ within the meaning of that term as envisaged under the proviso. It follows therefrom that the assessee which obtained registration u/s 12AA during the pendency of appeal was entitled to exemption claimed u/s 11.

Roll-Back of Exemptions – Contd.

Pending Before AO- Allahabad HC Decision against the assessee

- **Shiv Kumar Sumitra Devi Smarak Shikshan Sansthan v. CIT(Exemption), Lucknow [2020] 113 taxmann.com 334 (Allahabad)/[2020] 269 Taxman 163 (Allahabad)/[2020] 422 ITR 468 (Allahabad)[06-08-2019]**

In terms of section 12A(2) benefit under sections 11 and 12 would be available to assessee from assessment year following financial year in which application was given and not from any previous year and, therefore, benefit of registration could not have been extended for assessment year 2011-12, even if matter was pending before Tribunal when application for registration was submitted on 15-12-2014.

Shiv Kumar Sumitra Devi Smarak Shikshan Sansthan v. CIT [2022] 138 taxmann.com 197 (SC)[08-04-2022]

- The case was filed before the Supreme Court but the instant petition was withdrawn and therefore the SLP was dismissed.

Combining provisional and regular registration in some cases

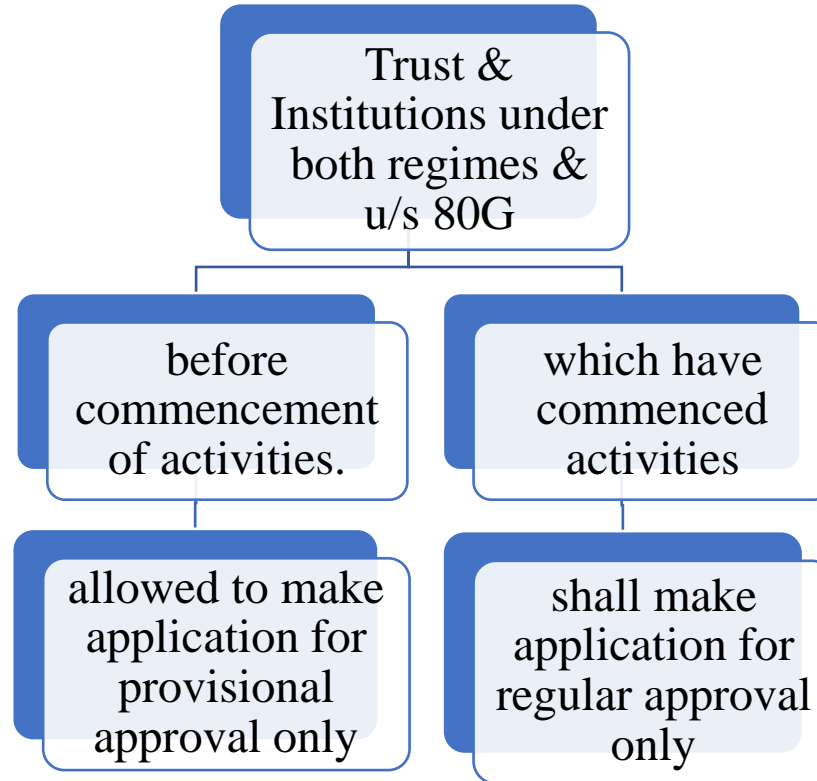
- Existing law:

- New trusts or institutions under both regimes as well under section 80G regime need to apply for the provisional registration/approval at least one month prior to the commencement of the previous year relevant to the assessment year from which the said registration/approval is sought. Such provisional registration/approval shall be valid for a period of 3 years.
- Provisionally registered/approved trusts or institutions under both regimes and section 80G regime will again need to apply for regular registration/approval at least six months prior to expiry of period of the provisional registration/approval or within six months of the commencement of activities, whichever is earlier. Regular registration/approval shall be valid for a period of 5 years.
- The trusts and institutions under both regimes and section 80G regime will need to apply at least six months prior to the expiry of regular registration/approval.

- Difficulties Faced:

- Trusts or institutions formed or incorporated during the previous year are not able to get the exemption for that year in which they are formed or incorporated since they need to apply one month before the previous year for which exemption is sought.
- Besides trusts or institutions, where activities have already commenced, are required to apply for two registrations (provisional and regular) simultaneously.

Proposed Changes




- PCIT/CIT to examine the application & pass order granting or rejecting the application within 6 months from end of the month in which application was received.

Specified violations under section 12AB and fifteenth proviso to clause (23C) of section 10

- **Specified violation to include incomplete application or application containing false or incorrect information.**



Trusts or institutions not filing the application in certain cases

- **Failure to apply for registration by existing trusts or re-registration will result in application of Section 115TD.**
- 

Alignment of the time limit for furnishing the form for accumulation of income and tax audit report

- **Form 10/9A to be filed on or before 31st August**

Denial of exemption where return of income is not furnished within time

- **Benefit of updated return u/s 139(8A) not available A.Y. 2023-24**
- **Consequently exemption benefit lost if return not filed u/s 139(1) or 139(4).**



Amendments as per Finance
Act 2022

Requirement to maintain books of accounts - 12A(1)(b)

(b) where the total income of the trust or institution as computed under this Act without giving effect to the provisions of sections 11 and 12 exceeds the maximum amount which is not chargeable to income-tax in any previous year,—

- i. the books of account and other documents have been kept and maintained in such form and manner and at such place, as may be prescribed; and*
- ii. the accounts of the trust or institution for that year have been audited by an accountant defined in the Explanation below sub-section (2) of section 288 before the specified date referred to in section 44AB and the person in receipt of the income furnishes by that date the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars, as may be prescribed.*

• New **Rule 17AA** inserted by the Income-tax (Twenty-fourth Amendment) Rules, 2022, **w.e.f. 10-8-2022** deals with the maintenance of books of accounts for Trusts.


Rule 17AA - Books of account and other documents to be kept and maintained

- Books of accounts
- *Books of account, as referred in clause (a), for business undertaking referred in sub-section (4) of section 11 of the Act and other business carried on by the assessee.*
- *Documents for maintaining record of all the projects/income details(including PAN & Adhaar No.)*
- *Record of details of application of income and investments as specified u/s 11(5)*
- *Record of voluntary contributions made with specific directions.*
- *Record of contribution received for the purpose of renovation or repair of temple, mosque, gurdwara, church or other such places.*
- *Record of loans and borrowings*
- *Record of properties held*
- *Record of person specified u/s 13(3)*
- *Books to be kept at registered office – AO to be notified within 7 days if maintained at any other place*
- *Books to be maintained for 10 years and if reopened u/s 147, then for longer period.*

Procedure for cancellation of registration prescribed

Sub section (4) to Section 12AB inserted to provide for procedure for cancellation of registration on occurrence of one or more specified violations which are as under:

- a) *where any income derived from property held under trust, wholly or in part for charitable or religious purposes, has been applied, other than for the objects of the trust or institution; or*
- b) *the trust or institution has income from profits and gains of business which is not incidental to the attainment of its objectives or separate books of account are not maintained by such trust or institution in respect of the business which is incidental to the attainment of its objectives; or*
- c) *the trust or institution has applied any part of its income from the property held under a trust for private religious purposes, which does not enure for the benefit of the public; or*
- d) *the trust or institution established for charitable purpose created or established after the commencement of this Act, has applied any part of its income for the benefit of any particular religious community or caste; or*
- e) *any activity being carried out by the trust or institution—*
 - (i) is not genuine; or*
 - (ii) is not being carried out in accordance with all or any of the conditions subject to which it was registered; or*
- f) *the trust or institution has not complied with the requirement of any other law, as referred to in item (B) of sub-clause (i) of clause (b) of sub-section (1), and the order, direction or decree, by whatever name called, holding that such non-compliance has occurred, has either not been disputed or has attained finality.*



Accumulation restricted to 5 years

- Accumulation permitted for 5+1 years upto AY 2021-22, restricted to 5 years from AY 2022-23 u/s 11(3).
- Form 10 notified on 17.08.2022 to be filed under both tax regimes before the due date specified u/s 139(1).
- **Filing of Form 10 made applicable to institutions u/s 10(23C) for the first time from AY 2023-24.**
- AO granted powers to permit application for other objects of the Institution.

Accumulation – year in which considered as income

<p>(a) is applied for purposes other than wholly and exclusively of the objects for which the trust or institution referred to in Section 10(23C)(iv) or (v) or (vi) or (via) is established or ceases to be accumulated or set apart for application thereto, or</p>	<p>(a) It shall be deemed to be the income of such person of the previous year- in which it is so applied or ceases to be accumulated or set apart</p>
<p>(b) cease to remain invested or deposited in any of the forms or modes specified in section 11(5), or</p>	<p>(b) It shall be deemed to be the income of such person of the previous year- in which cease to remain so invested or deposited</p>
<p>(c) is not utilized for the purpose for which it is so accumulated or set apart during the period referred to in clause (a) of the newly inserted Explanation 3,</p>	<p>(c) It shall be deemed to be the income of such person of the previous year- being the last previous year of the period, for which the income is accumulated or set apart, but not utilized for the purpose for which it is so accumulated or set apart</p>
<p>(d) Is credited or paid to any trust or institution registered under section 12AA or section 12AB or to any fund or institution referred to in Section 10(23C)(iv) or (v) or (vi) or (via)</p>	<p>(d) It shall be deemed to be the income of such person of the previous year- in which it is credited or paid to any fund or institution or trust or any university or other educational institution or any hospital or other medical institution.</p>

Payment to specified persons

- U/s 13, trusts under the second regime are required not to pass on any unreasonable benefits to specified persons or trustees. Section 10(23C) did not contain a similar provision of this sort.
- Finance Act 2022 has inserted 21st proviso to section 10(23C) provide for similar restrictions.



Penalty if benefits given to related persons – Section 271AAE

- Penalty for providing directly or indirectly benefits to specified persons:
 - (a) *a sum equal to the aggregate amount of income applied, directly or indirectly, by such person, for the benefit of any person referred to in sub-section (3) of section 13, where the violation is noticed for the first time during any previous year; and*
 - (b) *a sum equal to two hundred per cent of the aggregate amount of income of such person applied, directly or indirectly, by that person, for the benefit of any person referred to in sub-section (3) of section 13, where violation is noticed again in any subsequent previous year.*
- Multiple penalties possible as penalty u/s 271AAE operates without prejudice to provisions of Chapter XXI

Alignment of provisions of Second regime with First regime

- Provisions applicable to second regime-
 - Chapter XII-EB introduced by Finance Act 2016 provides for taxation of accreted income upon-
 - Voluntary winding up of its activities and dissolution, or
 - Merger with any other charitable or non-charitable institution
 - Conversion into a non-charitable organization
 - Provisions of Section 11 & 12 not applicable if a return of income is not filed in accordance with section 139(4A)
- Above provisions extended to trusts/ institutions under first regime

Section 115BBI - inserted by Finance Act 2022

Where total Income includes any of the following income, tax @ 30% is payable;

- a) income accumulated or set apart in excess of fifteen per cent of the income where such accumulation is not allowed under any specific provision of this Act; or*
- b) deemed income referred to in Explanation 4 to the third proviso to clause (23C) of section 10, or sub-section (1B) or sub-section (3) of section 11; or*
- c) any income, which is not exempt under clause (23C) of section 10 on account of violation of the provisions of clause (b) of the third proviso of clause (23C) of section 10, or not to be excluded from the total income under the provisions of clause (d) of sub-section (1) of section 13; or*
- d) any income which is deemed to be income under the twenty-first proviso to clause (23C) of section 10 or which is not excluded from the total income under clause (c) of sub-section (1) of section 13; or*
- e) any income which is not excluded from the total income under clause (c) of sub-section (1) of section 11.*

No Deduction in respect of any expenditure or allowance or set off of any loss to be allowed.

Voluntary
Contributions for
the renovation
and repair of
temples,
mosques,
gurudwaras,
churches etc.
notified under
section 80G(2)(b)

- Voluntary Contributions for renovation or repairs may optionally be treated as corpus subject to:
 - a) applies such corpus only for the purpose for which the voluntary contribution was made;
 - b) does not apply such corpus for making contribution or donation to any person; and
 - c) maintains such corpus as separately identifiable;
 - d) invests or deposits such corpus in the forms and modes specified under subsection (5) of section 11

ACIT(Exemptions)

v.

**Ahmedabad
Urban Development
Authority**

**[2022] 144 taxmann.com
78 (SC)**

- **SC clarifies its interpreting 'charity' under section 2(15) by holding that law declared in its judgment had to be understood in context that they were applicable for assessment years in question, however, future applications had to be understood in context for assessment years which were not called upon and accordingly law declared in said judgment would be applicable, as per facts of each such assessment year.**

[2022] 143 taxmann.com
278 (SC)

ACIT(Exemptions)
v.
Ahmedabad Urban
Development Authority

- **So long as a GPU's charity's object involves activities which also generates profits (incidental), it can be granted exemption provided quantitative limit (of not exceeding 20 per cent) under second proviso to section 2(15) for receipts from such profits, is adhered to**

**[2022] 143 taxmann.com
278 (SC)**

**ACIT(Exemptions)
v.
Ahmedabad Urban
Development Authority**

- **Statutory Corporations, Boards, Authorities, Commissions, etc. (by whatsoever names called) in housing development, town planning, industrial development sectors are involved in advancement of objects of general public utility, therefore are entitled to be considered as charities in GPU categories**

**[2022] 143 taxmann.com
278 (SC)**

**A CIT(Exemptions)
v.
Ahmedabad Urban
Development Authority**

- **Statutory regulatory bodies which regulate professions and are created by or under statutes which are enjoined to prescribe compulsory courses to be undergone before individuals concerned is entitled to claim entry into profession or vocation, and also continuously monitor conduct of its members do not ipso facto carry on activities in nature of trade, commerce or business, or services in relation thereto**

**[2022] 143 taxmann.com
278 (SC)**

**ACIT(Exemptions)
v.
Ahmedabad Urban
Development Authority**

- **Bodies involved in trade promotion (such as AEPC), or set-up with objects of purely advocating for, co-ordinating and assisting trading organisations, can be said to be involved in advancement of objects of general public utility**

[2022] 143 taxmann.com
278 (SC)

A CIT(Exemptions)
v.
**Ahmedabad Urban
Development Authority**

- **Where assessee, Education and Research Network (ERNET), provided Network Access Services, Network Application Services etc. and its receipts were not of such nature which could be called as fees or consideration, assessee's activities were charitable and it was not engaged in any business or commercial activities**

**[2022] 143 taxmann.com
278 (SC)**

**A CIT(Exemptions)
v.
Ahmedabad Urban
Development Authority**

- **Where assessee-GS1 provided coding services in relation to business, trade or commerce for a fee or other consideration even though coding system was capable of being used by other sectors, in welfare or public interest fields, however, contribution of assessee's revenues from segments of welfare or public interest was absent, and materials on record only showed that coding services were used for commercial or business purposes, since assessee was involved in advancement of general public utility from which they received significantly high receipts, its claim for exemption could not succeed having regard to amended section 2(15)**

[2022] 143 taxmann.com
278 (SC)

ACIT(Exemptions)
v.
**Ahmedabad Urban
Development Authority**

- **National Internet Exchange of India (NIXI), established for promotion and growth of internet services in India by Govt. was a GPU category charity, it was not involved in trade, commerce or business**

**[2022] 143 taxmann.com
278 (SC)**

**A CIT(Exemptions)
v.
Ahmedabad Urban
Development Authority**

- **Where assessee-cricket associations were entitled to 70 per cent of revenue from sale proceeds of media right and this formed part of arrangement by which consideration flowing from such commercial rights had been agreed to be shared amongst all members of BCCI and on close scrutiny of expenses borne it was noted that assessees did not disclose any significant proportion which they expended towards sustained or organized coaching camps or academies, true nature of receipts flowing from BCCI into corpus of assessees was not determined in proper way and, thus, matter was to be remanded to Assessing Officer for decision afresh**

**[2022] 143 taxmann.com
278 (SC)**

**ACIT(Exemptions)
v.
Ahmedabad Urban
Development Authority**

- **Where assessee-trust was constituted to maintain a press where 85 per cent of trust's revenue was derived from advertisement, even if publication of advertisement was intrinsically linked with funding of newspaper activity, same was no basis for holding that publishing advertisement would not constitute business**

**[2022] 143 taxmann.com
278 (SC)**

**ACIT(Exemptions)
v.
Ahmedabad Urban
Development Authority**

- **Where assessee-society, established for running health club entered into arrangements with state agencies to supply mid-day meals to students of primary schools, since assessee's object did not include activity of cooking and supplying mid-day meals by entering into contract, however, it was apparent from record that receipt from said activities did not exceed quantitative limit of Rs. 10 lakhs as per proviso to section 2(15) which was prescribed at relevant point of time, activity could be said to be driven by charitable purpose**

[2022] 143 taxmantn.com
278 (SC)

ACIT(Exemptions)
v.
Ahmedabad Urban
Development Authority

- **Nature of activities of Authorities set-up under Seeds Act, 1966 is not by way of trade, commerce or business nor is in relation to trade, commerce, business for some form of consideration**

Pr. CIT (Exemptions)
Delhi V. Servants Of
People Society

CIVIL APPEAL
NO(S). 614 OF 2023

[@ SPECIAL
LEAVE PETITION
(CIVIL) NO(S).
11017 OF 2022]

Facts:

The assessee society was founded in the year 1921 by the legendary freedom fighter Lala Lajpat Rai during the freedom struggle for the nation building, general awareness and welfare of the people. In 1928 the famous freedom fighter of Odhisha Shri Pt. Gopa Bandhu Dass made a Will of his property and his printing press which is managing the Oriya newspaper “Samaj”- for people’s welfare. The assessee was enjoying exemption under Section 11 of the Act but the same was denied during the A.Y. 1973-74 and later allowed by the ITAT and affirmed by the High Court. The assessee was also earlier allowed exemption for three years i.e. 1990-91 to 1992-93 under Section 10(23C)(iv) of the Act. The assessee has established and is running schools in the name of Balwant Rai Mehta Vidya Bhawan in Lajpat Nagar and in Greater Kailash in New Delhi and one Medical Centre in Lajpat Nagar and old age home in Dwarka in Delhi. The assessee is also building a hospital in the name of Gopa Bandhu Medical Research Centre in Odisha. The assessee was also allowed exemption under Section 11(1) but the same has been denied during the A.Y. 2010-11 and 2011-12.

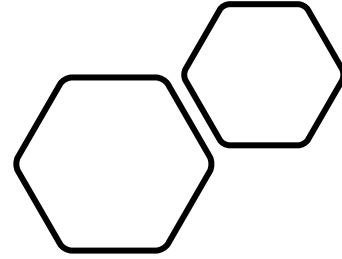
Pr. CIT (Exemptions)
Delhi V. Servants Of
People Society

CIVIL APPEAL
NO(S). 614 OF 2023

[@ SPECIAL
LEAVE PETITION
(CIVIL) NO(S).
11017 OF 2022]

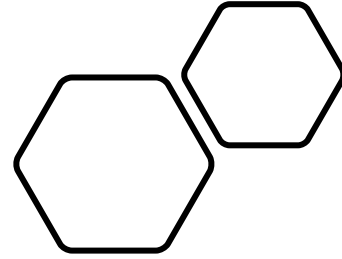
Decision:

The Appellate Commissioner, the ITAT and the High Court merely followed the judgment of the Delhi High Court in India Trade Promotion Organisation. However, the law with regard to interpretation of Section 2 (15) has undergone a change, due to the decision in Ahmedabad Urban Development Authority (supra). As a result, this court is of the opinion, that matter should be remitted for fresh consideration of the nature of receipts in the hands of the assessee, in the present case. As a result, the matter requires to be re-examined, and the question as to whether the amounts received by the assessee qualify for exemption, under Section 2 (15) or Section 11 needs to be gone into afresh.



[2022] 143
taxmann.com 276 (SC)
New Noble Educational
Society
v.
Chief Commissioner of
Income-tax

- Requirement for educational charitable institution, society or trust seeking approval under section 10(23C) is to ‘solely’ engage itself in education or educational activities and not engage in any activity of profit which are unrelated to education

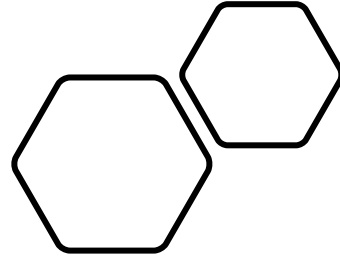


[2022] 143
taxmann.com 276 (SC)
New Noble Educational
Society
v.
Chief Commissioner of
Income-tax

- **Registration of trust or charities is obligatory under state or local laws and concerned trust, society, other institution etc. seeking approval under section 10(23C) should also comply with provisions of such state laws, this would enable Commissioner or concerned authority to ascertain genuineness of trust, society etc.**

[2022] 143
taxmann.com 276 (SC)

New Noble
Educational Society
v.
Chief Commissioner of
Income-tax



- **While considering applications for approval under section 10(23C), Commissioner is not bound to examine only objects of institutions, to ascertain genuineness he is also free to call for audited accounts or other such documents for recording satisfaction where society, trust or institution genuinely seeks to achieve object which it professes**

THANK YOU

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