(1999) 08 RAJ CK 0018

In the Rajasthan High Court

Case No : .I.T. Appeal No''s. 6 to 8 of 1999

Commissioner of Income Tax APPELLANT

Vs

Rajasthan State Text Book Board RESPONDENT

Date of Decision : 12-08-1999

Acts Referred:
Income Tax Act, 1961 — Section 10(22), 260A

Citation : (2000) 244 ITR 667

Hon'ble Judges : Shivaraj V. Patil, C.J;J.C. Verma, J

Bench : Division Bench

Advocate : Ashok Gaur, for the Appellant; None, for the Respondent

Judgement

1. Heard learned counsel for the appellants in these appeals. These three appeals are directed against the common order dated October 26, 1998, made by the Income Tax Appellate Tribunal, Jaipur Bench, Jaipur, in Income Tax Appeal No. 1716/JP of 1991. Since the order covers different assessment orders, three separate appeals are filed. But, the facts and questions of law that arise for consideration, are the same in these three appeals. The question that came up for consideration before the Commissioner of Income Tax (Appeals) and the Income Tax Appellate Tribunal, was whether the Rajasthan State Text Book Board, Jhalana Doongri, Jaipur, was entitled for exemption u/s 10(22) of the Income Tax Act, 1961, (hereinafter called, "the Act"). Though the assessing'' authority took the view that the respondent-assessee was not entitled for exemption u/s 10(22) of the Act, the Commissioner of Income Tax (Appeals) did not agree with the order of the assessing authority and reversed the same. In the appeal filed by the Department, before the Tribunal, the Tribunal concurred with the order passed by the Commissioner of Income Tax (Appeals).

2. Learned counsel for the appellant strongly contended that the Commissioner of Income Tax (Appeals) as well as the Tribunal were not right in holding that the assessee was entitled for exemption u/s 10(22) of the Act. According to him, the respondent-assessee is making profit, hence, it deprives itself of the benefit of

exemption u/s 10(22) of the Act ; as can be seen from the orders of the Commissioner of Income Tax (Appeals) as well as the Tribunal, in a similar situation, in the case of the Tamil Nadu Text Book Society, the Central Board of Direct Taxes, as per the letter dated August 19, 1975, and File No. 184/26 of 1975, stated that the Tamil Nadu Text Book Society was an educational institution, existing solely for the purpose of education, within the meaning of Section 10(22) of the Act. Further, reference was made to a decision of the Orissa High Court, reported in SECONDARY BOARD OF EDUCATION, ORISSA Vs. INCOME TAX OFFICER, WARD "E", CUTTACK., . dealing with similar facts.

3. It is not disputed before us that the aims and objects of the Tamil Nadu Text Book Society and those of the respondent-assessee are almost identical. It is also not shown to us that the surplus amount, if any, of the respondent-assessee, is used for any other purpose or distributed to other members. The Commissioner of Income Tax (Appeals) as well as the Tribu-nal have noticed that even if some amount remains surplus, that is uti-lised only for the purposes of education. Thus, having regard to the con-current findings of fact recorded by the Commissioner of Income Tax (Appeals) and the Tribunal and also taking note of the letter of the Central Board of Direct Taxes itself, it is not possible for us to say that the order of the Tribunal is erroneous in any way. In this way, no question of law arises for consideration much less a substantial question of law.

4. Hence, the appeals are rejected.