

**IN THE INCOME TAX APPELLATE TRIBUNAL
'C' BENCH, BENGALURU**

**BEFORE SHRI VIJAY PAL RAO, JUDICIAL MEMBER
and
SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER**

ITA No.2232 & 2233/Bang/2016
(Assessment year: 2016-17 & 2016-17)

Sapient Education Trust,
No.26-45/5, II Main, Temple Road,
V.V.Mohalla,
Mysore-570 002. ... Appellant
PAN:AAPTS61889M

Vs.

Commissioner of Income-tax(Exemptions)
Bengaluru. ... Respondent

Appellant by : Shri H.N.Khincha, CA.
Respondent by : Shri R.N.Parbat, CIT(DR)

Date of hearing : 25/09/2017
Date of pronouncement : 28/09/2017

O R D E R

Per INTURI RAMA RAO, AM :

ITA No.2232/Bang/2017:

This is an appeal filed by the assessee directed against the order passed by the Commissioner of Income-tax(Exemptions)[‘CIT(Exemptions) for short’] u/s 12AA(1)(b)(ii) of the Income-tax Act, 1961 [hereinafter referred to as ‘the Act’ for short] dated 30/09/2016.

2. The assessee raised the following grounds of appeal:

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1. On facts, the Honourable Commissioner of Income tax (Exemptions) erred in rejecting the registration U/s 12AA of the I.T. Act, 1961.
2. On the facts of the case and the law applicable, the appellant has complied with all the requirements and formalities for getting registration U/s. 12A of the I.T. Act, and the same has to be allowed to the appellant.
3. The various conclusions/observations drawn by the Commissioner of Income tax (Exemptions) being erroneous on the facts of the case applicable are to be disregarded.
4. In view of the above and on other grounds to be urged at the time of hearing, it is respectfully prayed that the appeal may kindly be admitted, an opportunity of hearing may please be granted and Registration U/s 12-A may kindly be ordered to be granted to the appellant.

3. Briefly facts of the case are that the assessee is a trust duly registered under the provisions of the Trust Act with Sub-Registrar, Mysore. The said trust was formed for the purpose of imparting education. The assessee-trust applied for registration u/s 12AA before the CIT(Exemptions), Bengaluru. During the course of proceedings before the CIT(Exemptions), the assessee-trust filed detailed explanation vide letter dated 12/08/2016 and subsequently copy of the re-constituted deed executed on 28/09/2016 duly registered with the office of the Sub-Registrar on 29/09/2016 were e-mailed to the CIT(Exemptions). However, the CIT(Exemptions) rejected registration u/s 12AA of the Act vide order dated 30/09/2016 on the ground that the assessee had not furnished details as called for. It was submitted that the finding of the CIT(Exemptions) was contrary to facts and therefore, prayed that the matter may be remitted back to

the file of the CIT(Exemptions) for fresh consideration in accordance with law.

On the other hand, learned Departmental Representative pointed out that the assessee-trust failed to comply with notice issued by the office of the CIT(Exemptions before the specified date and information was filed after the specified date in the notices issued and it is not a matter requiring remand to the file of the CIT(Exemptions).

4. We heard rival submissions and perused the material on record. The only issue in the present appeal is whether the CIT(Exemptions) was justified in rejecting the application for registration on the ground that the assessee had not complied with notice issued. During the course of hearing of the appeal, learned AR of the assessee demonstrated that the assessee had complied with all the notices though belatedly. Therefore, in our considered opinion, it is a fit case to remand the matter to the file of the CIT(Exemptions) with a direction that the application may be considered afresh in accordance with law.

5. In the result, the appeal filed by the assessee is treated as partly allowed for statistical purposes.

ITA No.2233/Bang/2016:

6. In this appeal, the assessee challenges the rejection of approval u/s 80G of the Act. Since in the assessee's appeal in ITA No.2232/Bang/2016 against rejection of registration u/s

12AA of the Act, the matter was remanded back to the file of the CIT(Exemptions) for parity of same reasoning, we remit this issue also to the file of the CIT(Exemptions) for fresh consideration in accordance with law.

7. In the result, the appeal is treated as partly allowed for statistical purposes.

Order pronounced in the open court on 28th September, 2017

Sd/-
(VIJAY PAL RAO)
JUDICIAL MEMBER

sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Place : Bengaluru
D a t e d : 28/09/2017

srinivasulu, sps

Copy to :

- 1 Appellant
- 2 Respondent
- 3 CIT(A)-
- 4 CIT
- 5 DR, ITAT, Bangalore.
- 6 Guard file

By order

Senior Private Secretary
Income-tax Appellate Tribunal
Bangalore