

**In the Income-Tax Appellate Tribunal,
Delhi Bench 'C', New Delhi**

**Before : Shri Bhavnesh Saini, Judicial Member And
Shri L.P. Sahu, Accountant Member**

ITA No. 6179/Del./2014

Haryana Kickboxing Association, C/o M/s. RRA Tax India, D-28, South Extension, Part-I, New Delhi PAN- AAAAH5647P (Appellant)	vs.	Commissioner of Income-tax, Faridabad. (Respondent)
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Assessee by	Dr. Rakesh Gupta, Adv. & Mr. Lakshya, Advocate
Revenue by	Smt. Simran Bhullar, CIT/DR

Date of Hearing	17.01.2018
Date of Pronouncement	26.02.2018

ORDER

Per L.P. Sahu, A.M.:

This is an appeal filed by the assessee against the order of ld. CIT, Faridabad dated 30.09.2014 on the following grounds :

1. That having regard to the facts and circumstances of the case, Ld. CIT has erred in law and on facts in rejecting the deduction u/s 80G(5) of the Act and that too without giving adequate opportunity of hearing and without consideration the aims and objects of the appellant society.

2. That having regard to the facts and circumstances of the case, Ld. CIT has erred in law and on facts in observing as under while denying the deduction u/s 80G of the Act.

(a) That the Aims & Objects mentioned in the Memorandum of Association appears to exist on paper only.

(b) That the assessee society is working against the interest of popularization and promotion.

(c) That the objectives of the society are not covered under the definition of "charitable objects" provided as per provisions u/s 2(15) of the Act.

(d) That the objectives of the appellant society are against the right to equality.

(e) That the objectives and bye laws of the appellant society are against the basic principle enshrined in the constitution of India.

That in any view of the matter and in any case, action of Ld. CIT in rejecting the deduction u/s 80G is bad in law and against the facts and circumstances of the case and is contrary to the principles of natural justice as the impugned order has been passed without granting adequate opportunity of hearing and without considering the submission of the assessee, by recording incorrect facts and findings and the appellant ought to have been granted the benefit of deduction under the said section.

2. The assessee society is registered with the District Registrar of Societies Fariabad under Haryana Registration and Societies Act, 2012. The Society also got registered on 20.12.1999 vide registration No. 2079 under the Societies Registration Act, 1860 and later on the society was granted revised certificate of registration on 15.09.2014 by District Registrar of Societies, Faridabad, Haryana bearing registration No. HR 019201401180. The Society had been also granted registration u/s. 12AA(1)(b)(i) of the IT Act, 1961 on 30.04.2014 vide registration No. CIT/FBD/Tech/12A/2014-15/97/10 dt. 30.04.14. The assessee applied for approval u/s. 80G(5)(vi) vide application dated

20.01.2014 in form No. 10G. The ld. CIT before granting approval asked for certain details, copies of documents. The assessee filed detailed reply as per requirement of the ld. CIT. From the submissions made, the CIT was not satisfied and doubted the objectives mentioned in the memorandum of association. The ld. CIT also asked to furnish the detailed note on the activities of the society. He also observed that certain aims and objects of the assessee society are not covered under the definition of Sec. 2(15) of the IT Act. The ld. CIT issued letter No. F. CIT/FBD/Tech/12A/2014-15/112/605 dated 25.04.2014. By this letter he specifically asked whether any object is covered under the residual clause, i.e., "other object of general public utility". The assessee submitted its reply on 05.05.2014. The ld. CIT also issued show cause notice as per his letter dated 26.09.2014 and the case was fixed for hearing on 30.09.2014. He observed that the assessee society did not respond to para No. 2.7, 2.8, 2.9 & 2.11 despite ample opportunities given and the applicant society does not have any cogent reply to the fact that these clauses kill competition and works against basic sprit of popularization and promotion. Also, it is against the very concept of general public utility. The ld. CIT observed that the assessee failed to substantiate its claim that the Society's aims and objects are of charitable nature and also could not produce any

concrete evidence to prove the genuineness of activities of the society in spite of repeated opportunities granted and therefore, rejected the application.

3. At the outset of hearing, the ld. AR submitted that the ld. CIT did not grant proper opportunity of hearing and submission of documents. Whatever documents were submitted before him were not considered before rejecting the application. He also submitted that the society has been granted registration u/s. 12AA(1)(b)(i) of the Act on 30.04.2014 by the ld. CIT after being satisfied with the charitable nature of society's objects as provided u/s. 2(15) of the Act. He, therefore, requested that the matter should go back to the file of ld. CIT for deciding the application afresh after granting reasonable opportunity of being heard.

4. The ld. Dr relied on the order of ld. CIT.

5. After hearing both the sides and perusing the materials available on record, we are of the considered opinion that the ld. CIT has not properly considered the documents submitted by the assessee and the fact that the society has also been granted registration u/s. 12AA(1)(b)(i) of the IT Act. Therefore, the matter should go back to the file of ld. CIT for deciding the

application afresh as per law after granting reasonable opportunity of being heard to the assessee. The assessee is also directed to appear before the Id. CIT and shall not seek any unnecessary adjournment. We order accordingly.

6. In the result, the appeal is allowed for statistical purposes.

Order pronounced in the open court on 26th February, 2018

Sd/-
(Bhavnes Saini)
Judicial member

Sd/-
(L.P. Sahu)
Accountant Member

Dated: 26.02.2018

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Copy of order forwarded to:

<i>(1) The appellant</i>	<i>(2) The respondent</i>
<i>(3) Commissioner</i>	<i>(4) CIT(A)</i>
<i>(5) Departmental Representative</i>	<i>(6) Guard File</i>

By order

Assistant Registrar
Income Tax Appellate Tribunal
Delhi Benches, New Delhi