

IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCHES: 'B', NEW DELHI

BEFORE SHRI N.K.BILLAIYA, ACCOUNTANT MEMBER  
AND SMT. BEENA A PILLAI, JUDICIAL MEMBER

ITA No. 1630/Del/2017

AY: .....

C.R.Rural Education Society Vill. Tihara P.O. Bawal Rewari  PAN:AAAAC8029Q	vs.	CIT (E) Chandigarh
(Appellant)		(Respondent)

Assessee by : : Sh. Gautam Jain, Adv.  
Department by : Ms. Nidhi Srivastava, CIT, D.R.  
Date of Hearing : 07/02/2019  
Date of Pronouncement: 12/02/2019

**ORDER**

**PER BEENA A PILLAI, JUDICIAL MEMBER**

Present appeal has been filed by assessee against order dated 27/02/17 passed by Ld. CIT (Exemption) on following grounds of appeal:

1. *That the learned Commissioner of Income Tax (Exemptions) has grossly erred both in law and on facts in rejecting the application for registration of the assessee society u/s 12AA of the Act.*

1.1. *That the learned Commissioner of Income Tax (Exemption) has failed to appreciate that, while examining the application under section 12AA of the Act, the scope was to merely examine the*

*objects of the society and, whether income received by the assessee society is liable to be considered under section 11 and 12 of the Act and, not whether the income is actually exempt under section 11 and 12 of the Act and therefore rejection of application of the assessee society is wholly misconceived.*

*1.2. That the learned Commissioner of Income Tax (Exemption) has made a gross error in mainly relying upon the previous order dated 25.06.2014 without appreciating that a fresh application u/s 12AA of the Act was to be examined independently.*

*1.3. That various adverse findings recorded in the impugned order are factually incorrect, legally misconceived and untenable.*

*1.4. That the finding that "applicant has resorted to the same contention as before and there is no change in the facts and circumstances that could have warranted fresh examination" is factually incorrect and is not in accordance with law.*

*1.5. That the learned Commissioner of Income Tax (Exemption) has failed to appreciate that assessee society is engaged in providing education to the poor and also various awareness programmes and therefore, assessee society could not be held to be engaged in advancement of any other objects of charitable general public utility and as such, denial of registration is based on misconception and hence unwarranted.*

*2. That even otherwise the impugned order has been made in an arbitrary and whimsical manner and that too without giving any opportunity of being heard much less a fair opportunity and as such the order rejecting the application for registration of the assessee society u/s 12AA of the Act is a nullity.*

*It is therefore prayed that the order of the Ld.CIT be quashed and, he be further directed to grant registration to the appellant society u/s 12AA of the Act."*

**2.** Brief facts of the case are as under:

Assessee filed application in Form 10 A, on 19.08.2016 seeking registration under section 12 AA of the Income Tax Act, 1961 (the Act). It has been submitted that assessee was carrying on with

its activities since 27/02/07. Ld.CIT(E) called for various details in order to examine basic conditions for grant of registration under section 12AA of the Act. It is observed from para 8 of order passed by Ld.CIT(E) that submissions filed by assessee were rejected as it came to the notice of Ld.CIT(E) regarding rejection of earlier application vide order dated 25/06/14. It has been recorded by Ld.CIT (E) that rejection was on ground that assessee though imparting education are charging higher rates of fees and same is being done with a view to earn profits and not to undertake education as a charity.

**2.1.** Ld.CIT(E) rejected present application filed by assessee dated 19/08/16 by simply relying upon earlier order of rejection dated 25/06/14 without analysing conditions for grant of registration under section 12 AA of the Act as on date of application.

**3.** At the outset, the Bench suggested both sides for issue to be set-aside to Ld.CIT(E) for considering subsequent application filed dated 19/08/16 independently on basis of details furnished as on that date and examining them on touchstone of basic conditions required for granting registration under section 12 AA of the Act.

**3.1.** Both parties agreed to the proposal.

**3.2.** We are accordingly setting aside this issue back to Ld.CIT (E) to reconsider application dated 19/08/16 afresh. Assessee is directed to file all requisite details in order to assist Ld.CIT (E) to verify same. Ld.CIT(E) shall, then upon satisfaction, decide issue as per law.

3.3. Accordingly we allow grounds raised by assessee for statistical purposes.

4. In the result appeal filed by assessee stands allowed for statistical purposes.

Order pronounced in the open court on 12<sup>th</sup> February, 2019.

Sd/-

(N.K.BILLAIYA)  
ACCOUNTANT MEMBER

Sd/-

(BEENA A PILLAI)  
JUDICIAL MEMBER

Dt. 12<sup>th</sup> February, 2019

- GMV

Copy forwarded to: -

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR, ITAT

- TRUE COPY -

By Order,

**ASSISTANT REGISTRAR**  
ITAT Delhi Benches

	Date
Draft dictated on	08.02.19
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Draft discussed/approved by Second Member.	
Approved Draft comes to the Sr.PS/PS	
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File sent to the Bench Clerk	
Date on which file goes to the AR	
Date on which file goes to the Head Clerk.	
Date of dispatch of Order.	