

IN THE INCOME TAX APPELLATE TRIBUNAL
"C" BENCH : BANGALORE

BEFORE SHRI N.V VASUDEVAN, VICE PRESIDNET AND
SHRI B.R BASKARAN, ACCOUNTANT MEMBER

ITA No.3354/Bang/2018
Assessment year : 2018-19

Catholic Womens League, P.B No.584, St. Francis Xaviers Cathedral, KR Wodeyar Nagara, Fr. Servanton Circle, Cleveland Town, Bangalore. PAN – AACTC 2695 K.	Vs.	The Commissioner of Income-tax (Exemption), Bangalore.
APPELLANT		RESPONDENT

Appellant by	:	Shri Narendra Kumar Jain, Advocate
Respondent by	:	Shri Pradeep Kumar, CIT

Date of hearing	:	26.06.2019
Date of Pronouncement	:	26.06.2019

ORDER

Per B.R Baskaran, Accountant Member

The appeal filed by the assessee is directed against the order dated 23/10/2018 passed by Id CIT(Exemption), Bengaluru rejecting the application filed by the assessee seeking recognition u/s 80G of the Income-tax Act 1961 ('the Act').

2. We have heard the parties and perused the record. We noticed that the assessee has been granted registration u/s 12AA of the Act, vide order dated 18/9/2018 and passed by Id CIT(E) in Order No.ITBA/EXM/S/12AA/2018-19/1012303266(1).

3. After receipt of registration u/s 12AA of the Act, the assessee trust filed an application before Id CIT(E) seeking recognition u/s 80G of the Act. However, the Id CIT(E) rejected the application by observing that the assessee trust has not carried out sufficient activities and hence, in the absence of the same, it is not possible for him to verify the genuineness of objects and the activities of trust. Accordingly he rejected the application filed by the assessee.

4. Before us, the Ld A.R submitted that the assessee is providing scholarships to poor students for the past several years. In support of the same, he invited our attention to the copies of financial statements for financial years 2015-16 to 2017-18 in the paper book. Accordingly he submitted that the Ld CIT(E) has not examined these details and hence he was not justified in observing that the assessee has not carried out sufficient activities. On the contrary, the Ld D.R supported the order passed by Ld CIT(E).

5. We have already noticed that the assessee has been granted registration u/s 12AA of the Act. Provisions of sec. 80G(5)(iv) state that the registration u/s 80G is granted by the Commissioner in accordance with the Rules made in this behalf. Rule 11AA prescribes the procedure to be followed for granting recognition u/s 80G of the Act. We noticed that the Id CIT(A) has not referred to provisions of Rule 11AA of the I T rules in order to examine the application filed by the assessee. Further, we notice that

the assessee has furnished the details of scholarship given by it in Financial year 2017-18 in the paper book and has also furnished financial statements of earlier years in order to show that such kind of scholarships are given year after year. We notice that the Ld CIT(A) has not examined those details. Hence, we are of the view that the reasons cited by the Id CIT(A) for rejecting the application of the assessee is not in accordance with Rule 11AA of the Act. Accordingly we set aside the order passed by the Id CIT(E) and restore the same to his file for examining the application of the assessee afresh, after affording adequate opportunity of being heard to the assessee.

6. In the result, the appeal of the assessee is treated as allowed for statistical purposes.

Order pronounced in the Open Court on **26th June, 2019.**

Sd/-
(N.V Vasudevan)
Vice President
Bangalore,
Dated, 26th June, 2019.
/vms /

Sd/-
(B.R Baskaran)
Accountant Member

Copy to:

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

By order

Asst. Registrar, ITAT, Bangalore.

1. Date of Dictation
2. Date on which the typed draft is placed before the dictating Member
3. Date on which the approved draft comes to Sr.P.S
4. Date on which the fair order is placed before the dictating Member
5. Date on which the fair order comes back to the Sr. P.S.
6. Date of uploading the order on website.....
7. If not uploaded, furnish the reason for doing so
8. Date on which the file goes to the Bench Clerk
9. Date on which order goes for Xerox & endorsement.....
10. Date on which the file goes to the Head Clerk
11. The date on which the file goes to the Assistant Registrar for signature on the order
12. The date on which the file goes to dispatch section for dispatch of the Tribunal Order
13. Date of Despatch of Order.