

IN THE INCOME TAX APPELLATE TRIBUNAL
BANGALORE BENCHES “ B ” BENCH: BANGALORE

**BEFORE SHRI B.R. BASKARAN, ACCOUNTANT MEMBER
AND
SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER**

ITA No.222/Bang/2020

M/s. Sri Madanantha Nirantara Prasada Viniyoga Samithi Trust,
CH-52, 1st Cross, Jayanagara,
Shimoga – 577 201
PAN AALTS 3599K

....Appellant

Vs.

Commissioner of Income Tax (Exemptions),
Bangalore.

.....Respondent.

Assessee By:	Smt. Soumya. K. Advocate.
Revenue By:	Shri Muzaffar Hussain,. CIT (D.R)

Date of Hearing :	09.06.2020.
Date of Pronouncement :	12 .06.2020.

ORDER

PER SHRI PAVAN KUMAR GADALE, JM :

The assessee has filed an appeal against the order of Commissioner of Income Tax (Exemptions), Bangalore rejecting the Registration sought under Section 12AA of the Income Tax Act, 1961 (the Act).

2. The assessee has raised the following grounds of appeal :

1.	On the facts and in the circumstances of the case, the learned CIT(E) erred in declining to grant registration under Section 12A of the Act to the Appellant.
2.	On the facts and in the circumstances of the case, the learned CIT(E) ought to have appreciated the fact that the Manager of the Trust was out of the Country at that time and hence ought not to have rejected

	the claim of 12A registration under the IT Act even after informing the learned CIT (E) regarding the same.
3.	On the facts and in the circumstances of the case, the learned CIT(E) ought to have appreciated the fact that the Manager had to leave on medical emergency and as such was unable to attend to the details called for.
4.	The learned CIT(E) ought to have refrained from rejecting the application for registration under Section 12A by providing an opportunity to the Appellant before passing the order.
5.	For these and such other grounds that may be urged at the time of hearing, the Appellant prays that the appeal may be allowed.

3. The Brief facts of the case are that the assessee is a charitable trust. The assessee has made an application for Registration under Section 12AA on

3.2.2019. The CIT (Exemptions) has issued letter dt.29.07.2019 calling for certain details and clarifications to be submitted by the assessee trust by 08.08.2019. Whereas The CIT (Exemptions) in the absence of details called for from the assessee, he could not ascertain the genuineness of the trust and its activities and observed that the assessee is not serious in prosecuting the case and rejected the application for registration u/sec12AA of the act for non-compliance on 21.08.2019. Aggrieved by the order of CIT (Exemptions), the assessee has filed an appeal with the Tribunal.

4. At the time of hearing, the learned Authorized Representative submitted that the assessee is a genuine trust and its objects and activities are charitable in nature. In compliance to the letter of CIT (Exemptions) dt.29.07.2019, the assessee has sent a request letter by Speed Post to CIT(E) for some time for production of documents, as the Manager of the trust was out of country on medical emergency. And the assessee is serious in prosecuting the application for registration u/sec12AA of the act and prayed for providing one more opportunity to represent the case with evidences and details before the CIT (Exemptions) and allow the appeal. Contra, the learned Departmental Representative supported the order of the CIT (Exemptions).

5. We heard the rival submissions and perused the material on record. Prima facie, the CIT (Exemptions) has rejected the registration under Section 12AA of the Act observing that the assessee has not responded to the office letter dt.29.07.2019 with submissions on or before 8.8.2019. Because of non-compliance by the assessee, the CIT (Appeals) could not ascertain the genuineness of the trust and its activities and hence rejected the application for non-compliance. The learned Authorized Representative supported her arguments relying on the Paper Book page no 1, the letter dt.2.8.2019 sent through Speed Post to the CIT (Exemptions) requesting to extend the time for production of details, as the Manager of the Trust was out of country and also supported with the Passport Copy of the Manager. We found the submissions of the LdAr are realistic with supporting evidences, and also the Trust is serious in prosecuting the application for registration under Section 12AA of the Act. Considering the facts and circumstances, we set aside the order of CIT (Exemptions) and restore the disputed issue to the file of the CIT (Exemptions) with the direction to consider afresh and pass a speaking order. The assessee should be provided adequate opportunity of hearing and shall co-operate in submitting the information and details for early disposal of the application for registration under Section 12AA of the Act. Accordingly, we allow the appeal of the assessee for statistical purposes.

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

Pronounced in the open court on the date mentioned on the caption page.

Sd/-

(B.R. BASKARAN)
ACCOUNTANT MEMBER

Sd/-

(PAVAN KUMAR GADALE)
JUDICIAL MEMBER

Dated: 12.06.2020.

*Reddy GP

Copy to

1. The appellant
2. The Respondent
3. CIT (A)
4. Pr. CIT
5. DR, ITAT, Bangalore.
6. Guard File

By order

Assistant Registrar
Income-tax Appellate Tribunal
Bangalore