

**IN THE INCOME TAX APPELLATE TRIBUNAL  
HYDERABAD BENCHES "A" : HYDERABAD  
(THROUGH VIDEO CONFERENCE)**

**BEFORE SHRI S.S.GODARA, JUDICIAL MEMBER  
AND  
SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER**

**I.T.A. No. 1711/HYD/2018**

Assessment Year: 2018-19

Centenary Baptist Church, Hanmakonda [PAN: AABTC2108G]	Vs	Commissioner of Income Tax (Exemptions), HYDERABAD
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(Appellant)

(Respondent)

For Assessee : Shri Samuel Nagadesi, AR  
For Revenue : Shri Rajiv Ranka, DR

Date of Hearing : 25-02-2021  
Date of Pronouncement : 22-04-2021

**ORDER**

**PER S.S.GODARA, J.M. :**

This assessee's appeal for AY.2018-19 arises from the CIT(Exemptions)-Hyderabad's order dated 31-07-2018 passed in case No.CIT(E)/Hyd/57(01)/12A/2017-18, u/s.12AA(1)(b)(ii) of the Income Tax Act, 1961 [in short, 'the Act'].

Heard both the parties. Case file perused.

2. The assessee's sole substantive grievance challenges correctness of the CIT(Exemptions)'s order under challenge denying Section 12AA registration after *inter alia* holding that its aim and object is to spread Christianity and pastor's salary

clause to be paid from society's funds, violate Section 13(1) of the Act.

3. Learned authorised representative vehemently contended during the course of hearing that the CIT(E) has erred in law and on facts in rejecting assessee's registration application. He quoted hon'ble apex court's decision in CIT Vs. M/s.Dawoodi Bohara Jamat (Civil Appeal No.2492 of 2014), hon'ble Punjab & Haryana high court's decision in Alexandra School Vs. CIT, ITA No.190 of 2014, dt.30-07-2015 that the impugned registration ought not to be denied only for the reason that the applicant concerned is indulged in religious activities.

4. Learned departmental representative fails to dispute the clinching fact that the CIT(E) has quoted this tribunal's co-ordinate bench's decision in Alexandra School Vs. CIT (2014) [44 taxmann.com 139] (Amritsar – Trib) which stands reversed in the hon'ble Punjab and Haryana high court's decision herein above (supra).

Faced with this situation, we deem it appropriate that Learned CIT(E) needs to re-examine the entire issue of assessee's Section 12AA registration afresh keeping in mind the above judicial precedents as well as after perusing its object clause(s) along with the charitable activity carried out; if any, as per law. We also make it clear that before parting that although the hon'ble apex court's decision in Maa Ananda Social and Educational Trust Vs. CIT, Civil Appeal Nos.5437 & 5438/2012 has settled the law that commencement of charitable activity is nowhere a condition precedent for the

purpose of registration u/s.12AA but since the assessee has itself claimed to be engaged in academic activity, we are leaving this issue to be examined keeping in mind the foregoing judicial proceedings.

5. This assessee's appeal is treated as allowed for statistical purposes in above terms.

*Order pronounced in the open court on 22<sup>nd</sup> April, 2021*

Sd/-  
**(LAXMI PRASAD SAHU)**  
**ACCOUNTANT MEMBER**

Sd/-  
**(S.S.GODARA)**  
**JUDICIAL MEMBER**

Hyderabad,  
Dated: 22-04-2021

*Copy to :*

*1. Centenary Baptist Church, Hanmakonda. C/o. Samuel Nagadesi, Chartered Accountant, 408, Sri Ramakrishna Towers, Beside Image Hospitals, Ameer Pet, Hyderabad.*

*2. The Commissioner of Income Tax (Exemptions), Hyderabad.*

*3. The Addl. CIT (Exemptions) - Hyderabad.*

*4. D.R. ITAT, Hyderabad.*

*5. Guard File.*