

**IN THE INCOME TAX APPELLATE TRIBUNAL “B” BENCH, PUNE**

**BEFORE SHRI INTURI RAMA RAO, AM  
AND SHRI RAVISH SOOD, JM**

**ITA No.324//PUN/2021**

Pujya Sindhi Panchayat Trust,  
Vishrah Naka,  
Near Kanak Automobiles Panvel,  
Raigad, Panvel – 410 206. .... Appellant

**PAN No.AABTP4266E**

V/s.

Commissioner of Income (Exemptions),  
Pune. .... Respondent

Assessee by : Shri Hari Krishan, A.R  
Department by : Shri Sunil Kumar, D.R

Date of Hearing : 05-01-2022  
Date of Pronouncement : 07-01-2022

**ORDER**

**PER RAVISH SOOD, JM**

The present appeal filed by the assessee trust is directed against the order passed by the Id. CIT (Exemption), Pune, u/s 12AA(1)(b)(ii) of the Income-tax Act, 1961 (“Act”, for short), dated 10-2-2021 on the following grounds of appeal before us :

- “1. The order dated 10-2-2021 passed by the Id. CIT(Exemptions) ejecting the application of the assessee for registration u/s 12AA of the Act is passed in violation of the principles of natural justice and is therefore illegal, ab initio void and unsustainable in law.
2. The CIT (Exemptions) has failed to appreciate that the letters/notice issued by him on 20-10-20-20 requiring the assessee to file information and documents could not be complied with because of the situation arising out of the Covid 19 pandemic and the lock down and other restrictions

imposed by the Govt. The Id. CIT (Exemptions) has passed the ex parte order after issuing just one notice to the assessee, calling for certain details.

3. The Id. CIT (Exemption) has erred in rejecting the application of the assessee for registration u/s 12AA of the Act.

2. Briefly stated, the assessee which is stated to be a religious-cum-charitable trust, had as on 13.09.2020 filed an online application in "Form No. 10A" for registration of the trust u/s 12AA of the Act. After perusing the aforesaid application, the Id. CIT (Exemption) on 20.10.2020 issued a letter through ITBA portal to the assessee-applicant, therein calling upon it to upload certain information/clarification that was required to process its application. However, the assessee failed to comply with the aforesaid directions of the Id. CIT(Exemption). On a perusal of the application that was filed by the assessee-applicant in form No. 10A, it was observed by the CIT (Exemption) that the assessee had not uploaded the requisite documents, viz. declaration u/s 13(1)(c) of the Act; NOC from the owner of the premises; identity details of the trustees/directors; note on the activities conducted in the last three years or since inception, details of donations made, details of donations received, undertaking for non-infringement of the '1<sup>st</sup> Proviso' to sec. 2(15) of the Act, bank account statements, supportive credible evidence in respect of activities carried out, which all were required under the provisions of Sec. 12AA(1)(a) of the Act. Backed by the aforesaid fact, the Id. CIT (Exemption) vide a notice dated 28-01-2021 issued through e-portal afforded another opportunity to the assessee trust to furnish the requisite details. However, as the assessee failed to respond to the said notice too, therefore, the Id. CIT(Exemption) being of the view that in the absence of the requisite

details the genuineness of the charitable nature of the activities of the assessee-trust could not be verified, thus, rejected the application filed by the assessee trust for grant of registration u/s 12AA(1)(b)(ii) of the Act.

3. Aggrieved, the assessee has assailed before us the order passed by the Id. CIT (Exemption) u/s 12AA(1)(b)(ii) of the Act dated 10-2-2021 declining to grant the approval u/s 12AA of the Act.

4. At the very outset of the hearing of the appeal, the learned Authorised Representative (for short "A.R") for the assessee, on being confronted about the delay of 124 days that was involved in filing the present appeal before us, therein rebutted involvement of any such delay. Elaborating on his said claim, it was submitted by the Id. A.R that as the order u/s 12AA(1)(b)(ii) was received by the assessee on 10-02-2021 on the ITBA portal, therefore, the appeal was required to be filed with the Tribunal latest by 11-04-2021. Adverting to the reasons leading to the impugned delay in filing of the appeal on 13-08-2021 i.e beyond the aforesaid prescribed period, it was submitted by the learned A.R that as during the relevant time period there was an outburst of Covid-19 pandemic, therefore, it was but for the said reason that the appeal could not be filed within the stipulated time period. It was submitted by the learned A.R that the Hon'ble Supreme Court in its order passed while disposing of the Miscellaneous Application No. 665 of 2021 in SMW(C) No. 3 of 2020, had after taking suo-motu cognizance of the difficulties that could be faced by the litigants in filing petitions/applications /suits/appeals/all other proceedings within the period of limitation prescribed under the general law of limitation or under any special laws

(both Central and/or State), had directed for extension of the period of limitation in all the proceedings before the Courts/Tribunals w.e.f. 15-3-2020, till further orders. It was submitted by the learned A.R. that the Hon'ble apex Court had thereafter from time to time extended the period that was to be excluded for computing the limitation prescribed, and the same was in force as on the date when the appeal in the case of the present assessee was to be filed i.e. latest by 11-04-2021. Qua the merits of the case, it was submitted by the learned A.R, that again as the failure on the part of the assessee to furnish the requisite details that were called for by the Id. CIT(Exemption) vide his letter/notice dated 20-10-2020 and 28-01-2021 had occasioned, for the reason that the Covid 19 pandemic had brought the country to a standstill and the assessee was no exception to the same. It was submitted by the learned A.R that considering the aforesaid bonafide reason which had led to the delay on the part of the assessee to comply with the aforementioned notices/letters that were issued by the Id. CIT(Exemption), the matter in all fairness be restored to his file with a direction to re-consider the same after affording an opportunity of being heard to the assessee.

5. Per contra, the learned Departmental Representative ("D.R", for short) did neither object to the seeking of condonation of delay by the assessee, nor to its request for restoration of its application to the file of the Id. CIT (Exemption) for de novo adjudication.

6. We have heard both the Id. authorised representatives for both the parties, perused the orders of the lower authorities and the material available on record. Insofar the impugned delay of 124 days in filing of

the present appeal by the assessee-appellant is concerned, we find substance in the claim of the learned A.R. that as the same was due to unavoidable circumstances that have emerged on account of the outburst of Covid-19 pandemic, therefore, the same could not be filed within the stipulated time period. As stated by the learned A.R, and rightly so, the Hon'ble Apex Court had vide its order passed in Misc. Application No. 665 of 2021 in SMW(C) No. 3 of 2020, dated 23-09-2021 had taken suo-motu cognizance of the difficulties that might be faced by the litigants in filing petitions/applications/suits/appeals/all other proceedings within the period of limitation prescribed under the general law of limitation or under any special laws (both Central and/or State). Admittedly, the extended period of limitation was available to the assessee at the time it had filed the present appeal before us i.e on 13.08.2021. We, thus, in terms of our aforesaid observations are of the considered view that the appeal filed by the assessee before us is well within the extended period of limitation.

7. Adverting to the merits of the case, we find that the controversy therein involved lies in the narrow compass i.e. declining on the part of the CIT(Exemption) for approving the assessee-trust/institution u/s 12AA of the Act, for the reason, that the requisite details that were required to be considered for disposing of the assessee's application u/s 12AA of the Act had not been filed by the assessee despite repeated reminders. As observed by us hereinabove, it is a matter of fact borne from the record that the assessee was called upon by the Id. CIT(Exemption) vide his notice(s) dated 20-10-2020 and dated 28-02-2001, both through e-portal, to submit certain information/clarifications in order to facilitate processing

of its aforesaid application. However, as the assessee had failed to furnish the requisite details, therefore, the Id. CIT (Exemption) had rejected the assessee's application for grant of registration u/s 12AA(1)(b)(ii) of the Act. As stated by the learned A.R, and rightly so, we find that failure on the part of the assessee to furnish the requisite information, was for the reason, that there was an outburst of Covid-19 pandemic across the country which had brought the normal functioning of day to day activities to a standstill. In our considered view, on the basis of the order of the Hon'ble Supreme Court passed in Miscellaneous application No. 665 of 2021 in SMW(C) No. 3 of 2020 (supra), wherein the period of limitation prescribed under the general law of limitation or under any special law (both Central and/or State) qua all the proceedings before the Courts and the Tribunals had been extended from time to time, it can safely be concluded that there were justifiable reasons for the assessee in not complying with the letters/notices that were issued by the Id. CIT(Exemption), therein calling upon it to furnish certain information/clarifications. We, thus, are of the considered view, that in all fairness the issue in hand requires to be restored to the file of the Id. CIT (Exemption) with a direction to re-visit the same and dispose off the application filed by the assessee trust 'Form No. 10A' afresh. Needless to say, the Id. CIT (Exemption) shall in the course of the set-aside proceedings afford a reasonable opportunity of being heard to the assessee. The **Grounds of appeal Nos. 1 and 2** are allowed for statistical purposes in terms of the aforesaid observation.

8. The **Ground of appeal No. 3** being general is dismissed as not pressed.

9. Resultantly, the appeal of the assessee is allowed for statistical purposes in terms of our aforesaid observations.

Order pronounced in the open court.

**Sd/-**  
**(INTURI RAMA RAO)**  
**ACCOUNTANT MEMBER**

**sd/-**  
**(RAVISH SOOD)**  
**JUDICIAL MEMBER**

Pune; Dated :\_07<sup>th</sup> January 2022  
Ankam

**Copy of the Order forwarded to :**

1. Pujya Sindhi Panchayat Trust,  
Vishrah Naka, Near Kanak Automobiles  
Panvel, Raigad, Panvel – 410 206.
2. The Pr. CCIT, Pune.  
CIT (Exemptions), Pune,.
3. Addl.CIT Exemption Range, Pune.
4. The A.O ITO (exemptions) Ward 1, Pune,.
5. Guard File.

BY ORDER,  
Senior Private Secretary  
ITAT, Pune.

Date of dictation	07-01-2022
Date on which the typed draft is placed before the dictating member	07-01-2022
Date on which the typed draft is placed before the other member	
Date on which the approved draft comes to the Sr. PS/ PS	
Date on which the fair order is placed before the dictating member for pronouncement	
Date on which the fair order comes back to the Sr. PS/ PS	
Date on which the final order is uploaded on the website of ITAT	
date on which the file goes to the Bench Clerk	10-01-2022
Date on which the file goes to the Head Clerk	
The date on which the file goes to the Assistant Registrar for signature on the order	
Date of dispatch of the order	