

**आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई**  
**IN THE INCOME TAX APPELLATE TRIBUNAL, 'B' BENCH, CHENNAI**  
**श्री महावीर सिंह, उपाध्यक्ष एवं श्री जी. मंजुनाथ, लेखा सदस्य के समक्ष**  
**BEFORE SHRI MAHAVIR SINGH, VICE-PRESIDENT**  
**AND SHRI G. MANJUNATHA, ACCOUNTANT MEMBER**

आयकरअपीलसं./I.T.A.No.103/Chny/2021

(निर्धारणवर्ष / Assessment Year: 2019-20)

Sri Palavadi Sastha Seva Samajam Trust, F3, Arjitham Apartment. 2 Sundaramurthy Street, Vanuvampet, Adambakkam Chennai-600 088.	Vs	The Commissioner of Income Tax (Exemptions), Chennai-600 034.
PAN: AAVTS 5222R		
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

अपीलार्थी की ओरसे/ Appellant by	:	None
प्रत्यर्थी की ओरसे/Respondent by	:	Mr. R.N. Siddappaji, CIT DR

सुनवाईकीतारीख/Date of hearing	:	27.04.2022
घोषणाकीतारीख /Date of Pronouncement	:	11.05.2022

**आदेश / ORDER**

**PER G. MANJUNATHA, AM:**

This appeal filed by the assessee is directed against order passed by the Commissioner of Income Tax (Exemption), Chennai, dated 31.01.2019 and pertains to assessment year 2019-20.

2. Brief facts of the case are that the assessee is a trust filed application in Form No.10A for registration u/s.12AA of the Income Tax Act, 1961. During the course of proceedings before the CIT (Exemptions), while processing application, the assessee was called upon to furnish necessary clarification/explanation and accordingly, e-mail communication

dated 23.10.2018 was sent to the assessee. The assessee neither appeared nor filed any details. Therefore, the CIT (Exemption) has rejected application filed by the assessee in Form No.10A for registration of trust u/s.12AA of the Income Tax Act, 1961. Aggrieved by the learned CIT (Exemption) order, the assessee is in appeal before us.

3. None appeared for the assessee. We have heard learned DR and perused order passed by the CIT (Exemption) u/s.12AA(1)(b)(ii) of the Income Tax Act, 1961, dated 31.01.2019. We find that CIT (Exemption) has disposed off application filed by the assessee in Form No.10A for registration of trust u/s.12AA of the Act, without providing reasonable opportunity of hearing to the assessee, which is evident from fact that the CIT (Exemption) has given one opportunity of hearing to the assessee. No doubt, when the assessee/applicant does not show any interest in pursuing its case, then the authorities have left with no option, but to complete proceedings on the basis of materials available on record in accordance with law, but such proceedings should be completed after giving reasonable opportunity of hearing to the

assessee in light of principles of natural justice. In this case, the CIT (Exemption) has neither given sufficient opportunity of hearing to the assessee nor decided eligibility of the assessee trust for registration u/s.12AA of the Income Tax Act, 1961. Therefore, we are of the considered view that the issue needs to go back to the CIT (Exemption) for fresh consideration. Hence, we set aside order passed by the CIT (Exemption) and restore the issue back to the file of CIT (Exemption) to reconsider the issue afresh in accordance with law, after providing reasonable opportunity of hearing to the assessee.

4. In the result, appeal filed by the assessee is treated as allowed for statistical purposes.

Order pronounced in the open court on 11<sup>th</sup> May, 2022

Sd/-  
( महावीर सिंह )  
(Mahavir Singh)  
उपाध्यक्ष/ Vice-President  
चेन्नई/Chennai,  
दिनांक/Dated 11<sup>th</sup> May, 2022  
DS

Sd/-  
( जी. मंजुनाथ )  
(G. Manjunatha )  
लेखा सदस्य / Accountant Member

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. Appellant
2. Respondent
3. आयकर आयुक्त (अपील)/CIT(A)
4. आयकर आयुक्त/CIT
5. विभागीय प्रतिनिधि/DR
6. गार्ड फाईल/GF.