

IN THE INCOME TAX APPELLATE TRIBUNAL  
MUMBAI BENCH "SMC", MUMBAI  
BEFORE SHRI SANDEEP SINGH KARHAIL, JUDICIAL MEMBER AND  
SHRI GAGAN GOYAL, ACCOUNTANT MEMBER  
ITA No. 1482/Mum/2021 (A.Y. 2014-15)  
ITA No. 1483/Mum/2021 (A.Y. 2015-16)

Lajwanti Manchanda Trust  
61AB, Royal Accord 04, 17-Apna Ghar layout,  
Lokhandwala Complex, Andheri (West),  
Mumbai-400053

**PAN: AAAAL1727G**

..... Appellant

Vs.

ITO-24(2)(5),  
Room No. 611, Piramal Chambers,  
Lalbaug, Parel, Mumbai-400012.

..... Respondent

Appellant by	:	Sh. Dhaval Shah
Respondent by	:	Ms. Kavita Kaushik
Date of hearing	:	09/06/2022
Date of pronouncement	:	05/09/2022

ORDER

**PER GAGAN GOYAL, A.M:**

These two appeals by the assessee are directed against the order of National Faceless Appeal Centre, Delhi [hereinafter referred to as ('NFAC')] dated 29.06.2021 for the Assessment Year (AY) 2014-15 & 2015-16. The assessee has raised the common grounds of appeal for both the AYs. Firstly, we are taking ITA No. 1482/Mum/2021 for A.Y. 2014-15 as lead case. The assessee has raised the following grounds of appeal:

*“Grounds of appeal against the order dated 29.06.2021 u/s.250 of the Act passed by the Learned Commissioner of Income-tax (Appeals), National Faceless Appeal Centre.*

*Following grounds of appeal are without prejudice to each other.*

*1. The learned Commissioner of Income Tax (Appeals) has erred in law and in facts in confirming the order passed by the Assessing Officer u/s. 154 of the Act dated 20.03.2019.*

*2. The learned Commissioner of Income-Tax (Appeals) has erred in law and in facts in passing the order in gross violation of principles of natural justice.*

*3. The learned Commissioner of Income-Tax (Appeals) has erred in law and in facts in applying tax rate on the appellant at maximum marginal rate instead of slab rates as applicable to Association of Persons (AOP).*

*4. The appellant craves leave of Your Honour to add to, alter, amend and/ or delete all or any of the foregoing grounds of appeal.”*

2. Brief facts of the case are that the assessee filed its return of income u/s 139(1) on 30-09-2014 in ITR-7. Assessee trust is a family trust liable to file its return in ITR-5. ITR-7 is applicable to the charitable trust registered u/s 12A.

3. As the issue involved in ITA No. 1482/Mum/2021 (A.Y. 2014-15) and ITA No. 1483/Mum/2021 (A.Y. 2015-16) are identical, both the appeals are being clubbed together for adjudication.

4. Assessee received intimation u/s 143(1)(a) vide dated 14-03-2016. Wherein in absence of details of section 12A registration, income of the assessee was made taxable under the category of AOP/BOI and tax was charged without giving basic exemption and slab benefits.

5. Against this intimation assessee filed an application u/s 154 before the A.O so that benefits denied can be claimed. A.O rejected this application on various

grounds. Against this rejection of application u/s 154 assessee preferred an appeal before the CIT(A)-36,Mumbai. Ld. CIT(A) agreed with the contentions of the assessee on merits but still rejected the same on some technical grounds.

6. Being aggrieved with the order of Ld. CIT(A) assessee preferred this appeal before us. We have gone through the order passed u/s 154, order of the Ld. CIT(A) u/s 250 submissions of the assessee and certified copy of will of Smt. Lajwanti Manchanda. Assessee also filed a chart for A.Y 2016-17 to 2019-20.

7. From the facts of the case and various submissions of the assessee we observed as under:

- a) *Assessee trust is the only trust formed Smt. Lajwanti Manchanda*
- b) *Assessee trust is a family trust in the form of AOP/BOI for the benefit of Smt. Lajwanti Manchanda's son and grand children.*
- c) *Assessee family trust has only income from other sources and there is no business income to the trust.*
- d) *Shares of beneficiaries of trust are determined and chart for A.Y 2016-17 to 2019-20 filed by the assessee clearly shows that conditions as prescribed in various provisions of the Act to claim basic exemption and slab benefit are being fulfilled by the assessee family trust.*

8. In view of the above facts and legal positions in favour of assessee it is hereby directed to the A.O for redetermination of assessee family trust tax liability giving basic exemption and slab benefit. It is directed to the assessee also to appear and co-operate before the A.O in terms of filing requisite information and explanations required to verify the claim raised by him.

9. In the result, appeal filed by the assessee is allowed for statistical purposes.

**ITA No. 1483/Mum/2021 A.Y. 2015-16**

10. As the grounds raised and facts applicable to this appeal are similar to the Appeal No. 1482/Mum/2021 for A.Y. 2014-15, the results of adjudication are applicable *mutatis mutandis* to this appeal also.

11. In the result, appeal filed by the assessee is allowed for statistical purposes.

Order pronounced in the open court on 5<sup>th</sup> day of September, 2022.

Sd/-

(SANDEEP SINGH KARHAIL)

JUDICIAL MEMBER

Mumbai, दिनांक / Dated: 05/09/2022

SK, Sr.PS

**Copy of the Order forwarded to:**

1. अपीलार्थी / The Appellant ,
2. प्रतिवादी / The Respondent.
3. आयकर आयुक्त (अ) / The CIT(A)-
4. आयकर आयुक्त CIT
5. विभागीय प्रतिनिधि, आय.अपी.अधि., मुंबई / DR, ITAT, Mumbai
6. गार्ड फाइल / Guard file.

Sd/-

(GAGAN GOYAL)

ACCOUNTANT MEMBER

BY ORDER,

//True Copy//

(Dy. /Asstt. Registrar)  
ITAT, Mumbai