

आयकर अपीलीय अधिकरण, इंदौर न्यायपीठ, इंदौर
IN THE INCOME TAX APPELLATE TRIBUNAL
INDORE BENCH, INDORE
BEFORE MS. SUCHITRA KAMBLE, JUDICIAL MEMBER
AND
SHRI B.M. BIYANI, ACCOUNTANT MEMBER

(Conducted through Virtual Court)

ITA No.622/Ind/2019

IQRA World Education Society, Bhopal	बनाम / Vs.	CIT-Exemption, Bhopal
(Appellant / Assessee)		(Respondent / Revenue)
PAN: AABAI 1209 H		
Assessee by	None	
Revenue by	None	
Date of Hearing	24.08.2022	
Date of Pronouncement	30.08.2022	

आदेश / O R D E R

Per B.M. Biyani, A.M.:

1. This appeal by assessee is directed against the order dated 26.03.2019 passed by CIT, Exemption, Bhopal [**“Ld. CIT(E)”**] u/s 80G(5)(vi) of the Income-tax Act, 1961 [**“the Act”**] on following grounds:

“1. That on the facts and in circumstances of the case and in law the learned Commissioner of Income Tax erred and was not justified in holding that the assessee is not entitled to register u/s 80G of the Income Tax Act, 1961.

2. That on the facts and circumstances of the case and in law the learned Commissioner of Income Tax erred and was not justified in holding that the assessee has not submitted reply along with

documentary evidences asked for. Hence, not entitled for registration u/s 80G.

3. That on the facts and in circumstances of the case fair, proper and meaningful opportunity has not been allowed to the assessee to put up the defense on the issue disputed in the appeal.

4. That the appellant craves leave to amend, add, alter, modify or withdraw any of the above ground(s) of appeal at the time of hearing of appeal.”

2. Despite hearings fixed on 08.06.2022 and 20.07.2022, none appeared on behalf of assessee and neither any adjournment-application was filed. Therefore, the assessee was directed to pay a cost of Rs. 2,000/- to Prime Minister Relief Fund by 24.08.2022 and the matter was adjourned to 24.08.2022. The assessee was properly intimated through letter dated 20.07.2022, served through Speed-Post at the address held in our record, about this direction of Bench. On 24.08.2022, when the matter was taken up for hearing, none appeared on behalf of assessee and neither any adjournment-application nor the receipt /acknowledgement of payment of Rs. 2,000/- is filed. Obviously the assessee is not showing interest to represent case. On behalf of revenue also, nobody was present nor adjournment-application filed. However, the present appeal involves registration u/s 80G which is a priority-matter, therefore the appeal was proceeded with for adjudication on merits on the basis of material available on record.

3. On perusal of the order appealed against, it is found that the assessee-society filed an application to Ld. CIT(E) on 06.09.2018 in Form No. 10G for grant of registration u/s 80G of the Income-tax Act, 1961. Ld. CIT(E), however, refused to grant registration and rejected assessee's application by observing as under:

“Order on application under section 80G(5)(vi) of the Income-tax Act, 1961

Iqra World Education Society has applied for approval u/s 80G of the Income Tax Act, 1961 in form No.10G, which was received in this office on 06.09.2018. The main objects of the society is running school in the name of "Trail Blazer International School" upto 8th Class English Medium at Bhopal.

2. In order to verify the objects and activities of the appellant and to ascertain the fulfillment of the conditions mentioned under section 80G, the applicant was given an opportunity of being heard by issuing notice dated 13.02.2019 fixing the date of hearing on 25.02.2019. The assessee was also informed that personal attendance is not compulsory and the assessee can file written submission by 25.02.2019.

3. In response to the above mentioned notice, society has submitted written submission through mail.

4. During the verification of correctness of the submission on 16.03.2019, Society was requested to submit the reply/documents on the following points along with documentary evidences by 19.03.2019.

- 1. To furnish justification for requirement of 80G.**
- 2. To submit class wise fee structure**
- 3. To provide ownership evidences regarding building construction.**

4.2 However, in response of above mail, neither written submission nor books of account and relevant documents were made available by assessee either physically or through mail. Thus the assessee failed to comply the requisite compliance to verify the genuineness of the objects and activities of the society etc.

5. JCIT and AO have also not recommended the case for approval u/s 80G against the object of the society is only education & running the school college for which fees charged from the students. No proper justification regarding need of 80G for the benefit of public at large proved by assessee, have been filed or produced.

6. It may be mentioned that the procedures for approval of an institution or fund under section 80G, are provided under the provisions r.w. Income Tax Rules 11M and as per this rules the CIT(Exemption) can call for details as required. The related provisions are as under:

11AA(3) The Commissioner may call for such further documents or information from the institution or fund or cause such inquiries to be made as he may deem necessary in order to satisfy himself about the genuineness of the activities of such institution or fund.

(4) ...

(5) Where the Commissioner is satisfied that one or more of the

conditions laid down in clauses (i) to (v) of sub-section(5) of section BOG are not fulfilled, he shall reject the application for approval, after recording the reasons for such rejection in writing:

7. In view of the above JCIT's and AO's Report and in the absence of requisite documents as required vide above mentioned notices, it was not practically possible to verify the genuineness of the claim for approval u/s 80G for receiving donations by the society. Considering the fact that the applicant society has failed to attend the proceedings and to produce the books of accounts and documentary evidences in support of charitable activities being carried out from time to time, there is no alternative left with the undersigned except to decide the application on the basis of material available on record on merits. In this case despite being called for details as stated in para-4 above the society has not complied.

8. In the light of facts pointed out above, it is held that in absence of verification of facts and non-compliance, the applicant society is not entitled for approval u/s 80G of the LT. Act, 1961. Accordingly the application in form No. 10G, received in this office on 06/09/2018 seeking approval u/s 80G is hereby refused and rejected.”

4. On a careful consideration of the above order of Ld. CIT(E), we observe that the Ld. CIT(E) has required the assessee through letter dated 16.03.2019 to submit certain details and documentary evidences which were necessary to satisfy himself about the genuineness of the activities of the assessee. But the assessee had not responded to the letter issued by Ld. CIT(E), rendering the Ld. CIT(E) unable to arrive at the satisfaction mandated by section 80G of the Income-tax Act, 1961 read with Rule 11AA of Income-tax Rule, 1962. Needless to mention that mere filing of application in Form No. 10G does not entitle the assessee to obtain registration. In terms of Rule 11AA of Income-tax Rules, 1962, the Ld. CIT(E) is empowered to call for such documents or information as are necessary for getting satisfaction *qua* the genuineness of the activities, which clearly implies that the assessee is duty-bound to provide the details / documents called for. However, by not complying with the letter issued by Ld. CIT(E), the assessee has failed in the matter. Further, Para No. 5 of the order of Ld. CIT(E) also demonstrates that the sub-ordinate authorities of the department, being JCIT and AO, have also not recommended the case for grant of registration u/s 80G.

5. In view of the very clear findings made by Ld. CIT(E), we are persuaded to hold that the Ld. CIT(E) was justified in refusing the registration to the assessee and rejecting its application. We, therefore, do not see any valid reason to interfere with the order of Ld. CIT(A). Resultantly, we uphold the order passed by Ld. CIT(E).

6. In the result, this appeal filed by the assessee is dismissed.

Order pronounced as per Rule 34 of I.T.A.T. Rules, 1963 on 30/08/2022.

Sd/-

Sd/-

(SUCHITRA KAMBLE)
JUDICIAL MEMBER

(B.M. BIYANI)
ACCOUNTANT MEMBER

Indore

दिनांक /Dated : 30.08.2022

Patel/Sr. PS

*Copies to: (1) The appellant
(2) The respondent
(3) CIT
(4) CIT(A)
(5) Departmental Representative
(6) Guard File*

By order

*Sr. Private Secretary
Income Tax Appellate Tribunal
Indore Bench, Indore*

1.	Date of taking dictation	
2.	Date of typing & draft order placed before the Dictating Member	

3.	Date on which the approved draft comes to the Sr. P.S./P.S.	
4.	Date on which the fair order is placed before the Dictating Member for pronouncement	
5.	Date on which the file goes to the Bench Clerk	
6.	Date on which the file goes to the Head Clerk	
7.	Date on which the file goes to the Assistant Registrar for signature on the order	
8.	Date of dispatch of the Order	