

आयकर अपीलीय अधिकरण "ए" न्यायपीठ पुणेमें।  
IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE BENCHES "A" :: PUNE

BEFORE SHRI S.S.GODARA, JUDICIAL MEMBER  
AND DR. DIPAK P. RIPOTE, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA No.428/PUN/2021

निर्धारण वर्ष / Assessment Year : N.A.

Govind Foundation, Shop No.94, 50 at Kolki, Pune Pandharpur Road, Phaltan, Satara – 415523.  PAN: AAICG 1564 G	Vs	The CIT, Exemption, Pune.
Appellant/ Assessee		Respondent /Revenue

Assessee by	Shri Kishor B Phadke – AR
Revenue by	Shri Keyur Patel – CIT(DR)
Date of hearing	08/12/2022
Date of pronouncement	13/12/2022

**आदेश/ ORDER**

**PER DR. DIPAK P. RIPOTE, AM:**

This appeal filed by the Assessee is directed against the order of Id.Commissioner of Income Tax (Exemption), Pune dated 30.03.2021 under section 12AA(1)(b)(ii) of the Act. The Assessee has raised the following grounds of appeal:

“1. The learned CIT, Exemption, Pune; erred in law and on facts in not granting registration u/s 12A of the ITA, 1961 to appellant company.

2. Appellant contends that, appellant made detailed submissions upon all the issues raised, whereas, the learned CIT, Exemption, Pune; declined the registration u/s 12A of the ITA, 1961 on grounds of the activities of the appellant company not being genuine enough without affording any further opportunity to appellant, to make a **SAY** in the

*matter and as such, vitiated principle of natural justice.*

*3. The learned CIT, Exemption, Pune erred in law and on facts in making following erroneous and fallacious observations:*

- Appellant is engaged in business activity for increasing milk production.*
- The benefit of appellant's activities extends only to the promoter company and its network and not the society at large.*
- Appellant is a mere extension of the promoter company's activities.*

*The learned CIT, Exemption, Pune erred in law and on facts in denying registration u/s 12A of the ITA, 1961 on the basis of above observations.*

*4. Appellant craves leave to add, alter, clarify, explain, modify, delete any of the grounds of appeal, and to seek any just and fair relief.”*

2. Brief facts of the case are that in this case Id.CIT(E) had rejected the assessee's application for registration under section 12AA of the Act for the various reasons mentioned in the order. The Id.Authorised Representative(Id.AR) of the Assessee submitted a paper book containing Memorandum of Assessment(MoA) and audited account as on 31.03.2021 and audited accounts as on 31.03.2020.

3. The Id.AR submitted that the Govind Foundation is helping the farmers and has carried out various activities as mentioned in the submission of the assessee dated 11.11.2020 and 19.01.2021. The Id.AR explained that assessee is carrying out artificial insemination

for the cattle's to help the farmers to increase milk production of cattle. The ld.AR explained that entire trust of the assessee is to help farmers.

4. The ld.Departmental Representative(ld.DR) for the Revenue explained that assessee is a Section 8 Company registered with ROC and it is part of the Govind Milk and Milk Products Pvt. Ltd. The ld.DR explained that 99.9% of the shareholding of Govind Foundation i.e. assessee is with Govind Milk and Milk Products Pvt. Ltd. All the activities of the assessee are only for the farmers who are milk suppliers of Govind Milk and Milk Products Pvt. Ltd., The ld.DR also brought to our notice from the submission of the assessee that assessee himself had admitted in the submission as under:

*“As per the need of procurement department we are planning to provide the services to the milk producers to have maximum benefit for their life stock.”*

5. The ld.DR emphasized that thus it is an admitted position by the assessee in its submission that the services are provided as per requirement of the procurement department which means procurement department of the Govind Milk and Milk Products Pvt. Ltd., The ld.DR also submitted that the activity of artificial insemination is not mentioned in the objects of the assessee and assessee is charging farmers for the Insemination of cattles.

6. We have heard both the parties and perused the records. Assessee is a company registered under section 8 of the Companies Act, 2013. 99.99% of its shareholding is with Govind Milk and Milk Products Pvt. Ltd., and one share is with Shivanjali Naik Nimbalkar, it seems that Shivanjali Naik Nimbalkar who is holding only one share of the company is related to the Govind Milk and Milk Products Pvt. Ltd., We have requested the Id.AR to point out that object clause according to which the activity of artificial insemination for cattle's have been performed by the assessee. However, the Id.AR could not specifically point out to any clause and kept on explaining the general clauses. We have already noted that the Id.DR claimed that the activity of artificial insemination is only for the farmers who are supplying milk to the Govind Milk and Milk Products Pvt. Ltd., and it is not mentioned in the object clause of the assessee. However, the Id.AR explained that Id.CIT(E) has not rejected the 12AA application on this ground. Since it is a fact that neither the Id.AR, nor the Id.DR could explain us under which clause of the objects the activity of artificial insemination on the basis of payment has been carried out!. Therefore, in the interest of justice, we are of the opinion that a proper analysis of objects and activities of the assessee is required which has not been carried out by the Id.CIT(E). The Hon'ble Supreme Court in the case of Ananda Social



grounds of appeal raised by the assessee are allowed for statistical purpose.

8. In the result, appeal of the assessee is allowed for statistical purpose.

Order pronounced in the open Court on 13<sup>th</sup> December, 2022.

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

**Sd/-**  
**(DR. DIPAK P. RIPOTE)**  
**ACCOUNTANT MEMBER**

पुणे / Pune; दिनांक / Dated : 13<sup>th</sup> December, 2022/ SGR\*

आदेशकीप्रतिलिपिअग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The CIT(A), concerned.
4. The Pr. CIT, concerned.
5. विभागीयप्रतिनिधि, आयकर अपीलीय अधिकरण, "ए" बेंच,  
पुणे / DR, ITAT, "A" Bench, Pune.
6. गार्डफ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// TRUE COPY //

Senior Private Secretary  
आयकर अपीलीय अधिकरण, पुणे/ITAT, Pune.