

**IN THE INCOME TAX APPELLATE TRIBUNAL  
[ DELHI BENCH: 'E' NEW DELHI ]**

**BEFORE DR. B. R. R. KUMAR, ACCOUNTANT MEMBER**

**AND**

**SHRI YOGESH KUMAR U.S., JUDICIAL MEMBER**

**I.T.A. No. 5215/DEL/2018 (A.Y. 2018-19)**

One World Foundation 58, Secdctor-38, Gurgaon Haryana <b>PAN No. AAATO5281F</b> <b>( APPELLANT )</b>	Vs.	CIT(Exemption) C.R. Building, 5 <sup>th</sup> floor, Sector-17E, Chandigarh <b>( RESPONDENT )</b>
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<b>Assessee by :</b>	<b>None</b>
<b>Department by:</b>	<b>Ms. Sarita</b>

<b>Date of Hearing</b>	<b>08.06.2023</b>
<b>Date of Pronouncement</b>	<b>21.06.2023</b>

**ORDER**

**PER YOGESH KUMAR U.S., JM**

This appeal is filed by the assessee against the order dated 30.05.2018 passed by the CIT (Exemption)-Chandigarh, (hereinafter referred to 'CIT(E)' for assessment year 2018-19.

2. The assessee has raised the following Concise grounds of appeal:-

*"1. That the CIT(Exemptions) erred on facts and in law in granting the approval u/s 80G.*

2. That the CIT(Exemptions) erred on facts and in law in not considering the activities of Trusts charitable activity. The CIT(E) has considered that the activities carried by trust are not real or not in consonance with the main objects of the trust without paying attention to the fact that activities being carried by the trust for the benefit of the poor in accordance with the section 2(15) of the Act. As a matter of fact, registration of an institution under Section 12A(a) of the Act by itself is a sufficient proof of the fact that the trust or the institution concerned is created or established for charitable or religious purposes as observed by Punjab-Haryana High Court in the case of *Sonepat Hindu Educational & Charitable Society vs Commissioner of Income Tax*.

3. That the CIT(Exemptions) erred on facts and in law to consider the fact that gross receipts and expenses cannot be corroborated through bank statements. The CIT(Exemptions) has erred while dealing with the application under section 80G(vi) of the Act. by getting into the actual computation of income under the Act, particularly when a trust is already claiming exemptions under sections 11 and 12 of the Act.

4. That the CIT (Exemptions) is wholly unjustified in dismissing the application on the ground that the documents submitted in relation to activities of the trust remains uncorroborated without considering the Rule 11 of the Act the above grounds is independent and without prejudice to the other grounds of appeal preferred Appellant.

3. None appeared for the assessee, though the power of attorney has been filed by the representative of the assessee, both the Assessee's Representative

and the assessee remained absent before this Tribunal right from filing of the present appeal. Thus, we deem it fit to decide the matter on hearing the Ld. Ld. Departmental Representative and verifying the material on record.

4. The appellant is a registered trust, filed an application u/s 80G of Income Tax Act, 1961 ('Act' for short) on 11/11/2017 before the CIT(E), the said application filed by the appellant has been rejected on the ground that the real purpose of the trust does not get established accordingly, passed the order impugned on 30/05/2018. As against the order of the CIT(E) dated 30/07/2018, the assessee preferred the present appeal on the grounds mentioned above but remained absent before us.

5. The Ld. Ld. Departmental Representative submitted that the receipts and the expenses shown in the bank statement remained uncorroborated, the appellant trust has not provided the financial statement for the year ending 31<sup>st</sup> March, 2018 and the real purpose of the trust has not been established by the appellant, therefore, the order impugned has been passed which does not suffer from any infirmity, hence submitted that the present appeal is liable to be dismissed.

6. We have heard the Ld. Ld. Departmental Representative and perused the material available on record. During the proceedings before the CIT(E), while

denying the approval to the appellant u/s 80G of the Act, the CIT(E) observed as under:-

*“On 25.05.2018, reply to above noted query was received through e-mail. After perusal of reply it is revealed that the applicant trust has carried out two activities Le. celebration of Lohri festival with blind kids & distribution of food & other refreshment to them and organization of medical camps and distribution of medicines for construction site workers. It is pertinent to mention that various objects are mentioned in trust deed but above mentioned claimed activities are not only one-off activities but also not as per stated objects. In the absence of activities that are either in sync with the stated objects or being undertaken on a systematic basic the case for approval is not made out. Moreover it is also seen from the bank statements provided by the applicant that merely Rs. 15,225/-out of gross receipts of Rs. 1,34,510/-credited in bank and similarly Rs. 3,570/-out of total expenditures has been routed through bank during F.Y 2016-17. It clearly leads to conclude that donations received and expenses claimed by applicant trust in F.Y 2016-17 are not corroborated through bank statements. Further it is pertinent to mention that mere submission of documents regarding claimed activities is not the sole criteria for approval u/s 80G(5) of the Act that needs to be corroborated with financial. statements and bank statements as well. The approval is not such a process wherein the according of registration of u/s 12AA of the Act and undertaking any activity which is not as per object clause, would result in the issuance of approval u/s 80G. It is also pertinent to mention that the applicant did not furnish financial statements for the F.Y. 2017-18*

*even when the same had been specifically asked for. On the subject, the applicant vide e-mail dated 25.05.2018 responded as under:-*

*"Please note that since the Financial statements are prepared on provisional basis for the F.Y. 2018-19 and not finalized yet, therefore we are unable to corroborate the claimed activities with the same". This response however is not tenable. The provisional Financial Statements (that are claimed to have been prepared) could well have been submitted in order to enable the department to examine the issues in the entirety. Further in the absence of the same all the debit/credit entries shown in the bank statement for the F.Y. 2017-18 remains uncorroborated.*

*Keeping in view all of the above, it is safe to conclude that in the present the real purpose of the application doesn't get established. In the light of the above, I have no option but to proceed on merits and deny the approval to the applicant u/s 80g of Income Tax Act, 1961."*

7. Thus, from the above, it is found that the appellant failed to establish the real purpose of the trust and the receipts and the expenses shown in the bank statement remained uncorroborated and the Appellant has not provided the financial statement for the year ending 31<sup>st</sup> March, 2018. The assessee has also failed to appear before us to support his case and failed to submit any material, thus, we find no reason to interfere with the findings and the conclusion of the CIT(E), and we find no merit in the Ground No. 1 to 4 of the assessee. Accordingly, the grounds of Appeal of the assessee are dismissed.

8. In the result, the Appeal of the assessee is dismissed.

Order pronounced in the open court on : **21/06/2023**.

**Sd/-**  
**( Dr. B. R. R. KUMAR )**  
**ACCOUNTANT MEMBER**  
Dated : 21/06/2023  
*\*R.N, Sr. PS\**

**Sd/-**  
**(YOGESH KUMAR U.S.)**  
**JUDICIAL MEMBER**

Copy forwarded to :-

1. Appellant
2. Respondent
3. CIT
4. CIT (Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR  
ITAT NEW DELHI

