

IN THE INCOME TAX APPELLATE TRIBUNAL
NAGPUR BENCH :: NAGPUR

BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER &
SHRI PARTHA SARATHI CHAUDHURY, JUDICIAL MEMBER
(through virtual hearing)

ITA No.409/NAG/2022

Sewankur, Plot No.92, C/o Prahladarpan, Vivekanand Nagar, Nagpur. PAN: AAOTS 9789 E	vs	CIT (Exemption), Pune.
Appellant		Respondent

Assessee by	:	Dr. Milind Bhusari, Adv.
Revenue by	:	Shri Kailash Kanojiya, DR
Date of hearing	:	25/09/2023
Date of pronouncement	:	26/09/2023

O R D E R

Per PARTHA SARATHI CHAUDHURY, JM:

This appeal preferred by the assessee emanates from the order of Commissioner of Income Tax [Exemption], Pune (for short, 'CIT(E)'), dated 30.09.2022 as per the grounds of appeal on record.

2. The solitary grievance of the assessee is the rejection of application for registration u/sec. 12A of the Income Tax Act, 1961 (for short, 'the Act').

3. That, on perusal of the order of Id. CIT(E), it is evident that in spite of being given several opportunities for furnishing details regarding the trust-society, the assessee has failed to provide the

relevant information to the Department. In order to provide registration u/sec. 12A of the Act, it is incumbent upon the competent authority, in this case Id. CIT(E), to verify the genuineness of the activities of the assessee-trust and also to verify whether the assessee is also complying with the prevalent laws for the time being in force while carrying out the charitable objects as enshrined in the object clause of the trust. In this case, since the assessee has not provided any details, it was not possible for the Id. CIT(E) to arrive at satisfaction regarding these aspects as mandated u/sec. 12AA of the Act and even when the assessee had submitted details as observed at para 3, it was cryptic and was not supported by credible evidences. Having observed these facts, if the assessee is not able to prove the genuineness of the activities, the Id. CIT(E) exercising his powers under the Act shall reject the application, but the assessee has to be given reasonable opportunity, since income tax Act is a welfare legislation, to substantiate its case on merits, whether it has got merits or not, that Id. CIT(E) shall decide as per law after scrutiny of these documents submitted by the assessee. Therefore, in the interest of justice, we are of the considered view that it is judicious and prudent to provide one final opportunity to the assessee and, therefore, we set aside the order of the Id. CIT(E) and remand the matter back to his file for *denovo* adjudication complying with the principles of natural justice. At the same time, we direct the assessee that, this being the final opportunity, it shall comply with the directions

of the Department and submit the relevant details required in respect of application for registration u/sec. 12A of the Act. Grounds of appeal are allowed for statistical purposes.

4. In the result, appeal of the assessee is allowed for statistical purposes.

Order pronounced in open Court on 26th September, 2023.

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

Sd/-
(PARTHA SARATHI CHAUDHURY)
JUDICIAL MEMBER

Dated : 26th September, 2023

vr/-

Copy to :

1. The Appellant.
2. The Respondent.
3. The Pr. CIT concerned.
4. The DR, ITAT, Nagpur Bench, Nagpur.
5. Guard File.

By Order

// TRUE COPY //

Senior Private Secretary
ITAT, Pune.