

IN THE INCOME TAX APPELLATE TRIBUNAL
“DB” BENCH, JABALPUR
BEFORE SHRI OM PRAKASH KANT, ACCOUNTANT MEMBER &
SHRI PAVAN KUMAR GADALE, JUDICIAL MEMBER

ITA No. 29 & 96/JAB/2023

(A.Y: 2023-24)

Indian Red Cross Society (District Office Singrauli) NTPC Hospital, Vidhyanagar, Singrauli-486885. Madhya Pradesh.	Vs.	CIT (Exemption), Bhopal-462016, Madhya Pradesh.
PAN/GIR No. : AABAI0508B		
Appellant	..	Respondent

Assessee by :	Shri.Majon Jain. FCA .AR
Revenue by :	Shri.Rajesh Kumar Gupta. Sr. DR

Date of Hearing	21.09.2023
Date of Pronouncement	09.10.2023

आदेश / O R D E R

PER PAVAN KUMAR GADALE JM:

These two appeals are filed by the assessee against the separate orders of the Commissioner of Income Tax (Exemption)(CIT(E)) Bhopal denying the registration u/sec 12AA and approval U/sec 80G of the Act.

2. Since the issues involved in these two appeals are common and interlinked, for the sake of convenience, we shall take up the ITA No. 29/Jab/2023 for the A.Y 2023-24

as lead case and facts narrated. The assessee has raised the following grounds of appeal

"1 That the order dated 22/12/2022 passed by the Ld. CIT EXEMPTION declining registration u/s 12AA to the appellant is. vitiated in law and on facts.

2."That the order dated 22/12/2022 passed by the Ld. CIT EXEMPTION declining registration u/s 12AA is only on the basis of change of opinion and contrary to the facts, law and principles of natural justice.

3. The order is contested in appeal on every cogent grounds and the appellant craves for the indulgence of the Hon'ble ITAT, to allow it (the appellant) to take such additional grounds and/or to delete the grounds as had been taken hereinbefore."

3. The brief facts of the case are that, the assessee is a district branch of Indian Red Cross Society and providing relief in times of disasters/emergencies and promotes health & care of the vulnerable people and communities. The assessee has obtained provisional registration certificate under section 12A (1)(ac)(vi) of the Act dated 19-11-2021 & U/sec 80G(5)(iv) of the Income Tax Act, 1961 dated 30-11-2021. Subsequently, as per the amended, provisions of section 12AB r.w.s 80G(5)(iii) of the Act, The assessee for the purpose of permanent registration

U/sec12AB of the Act has uploaded e-application in Form.No10AB and the CIT(E) has issued the notice dated 25.11.2022 and the reply was filed on the same day referred at Para 3 of the order. Whereas the CIT(E) was not satisfied with the explanations and rejected the application observing at Page 3 Para 4 of the order as under:

“4. The reply of the assessee was not found acceptable. As per the CBDT notification 176/04/2009-ITA-I dated 19.05.2010, no such guidelines were issued that the assessee need not to register himself separately as registered society. As per Rule 17A of the Act, each assessee is required to submit the copy of registration certificate of the society and its registered by laws. The application of the assessee was earlier rejected on the same grounds vide order dated 02.02.2021 and the discrepancy still persist”

4. Aggrieved by the CIT(E) orders rejecting the registration U/sec12A and U/sec80G of the Act, the assessee has filed the appeals before the Honble Tribunal.

5. At the time of hearing, the Ld.AR submitted that CIT(E) has erred in not considering the details filed in compliance to e-notice issued on the ITBA portal and has not provided reasonable opportunity of hearing and rejected the applications and further the

branches of Indian Red Cross Society at other places were granted permanent registration U/sec12A and approval U/sec80G of the Act. The Ld.AR substantiated the submissions with the factual paper book and prayed for allowing the appeals. Contra, the Ld.DR supported the order of the CIT(E).

6. We have heard the rival submissions and perused the material available on record. The assessee has filed the applications before the CIT(E) for permanent registration under section 12AA and 80G of the Act, whereas the CIT(E) in course of hearing proceedings has issued e-notices on the assessee through ITBA portal for certain clarifications and additional information and the assessee has filed the requisite details but the CIT(E) has rejected the registration. The Ld.AR submitted that the assessee is a charitable organization and governed by the Rules and regulations and demonstrated Rules of the Indian Red Cross Society placed at page 16 to 26 of the paper book. Further the Ld.AR referred to the granting of registration U/sec12A & U/sec 80G of the Act to its branch i.e Lucknow governed by the said regulations

and the Ld.AR highlighted FormNo.10AC placed at page 29 to 33 of the paper book. Therefore considering, the facts, submissions and the principles of natural justice, we shall provide with one more opportunity of hearing to the assessee to substantiate the case along with evidences and information. Accordingly, we set aside the impugned orders and direct the CIT(E) to denovo consider the assessee trust applications as per the law and we allow the grounds of appeal of the assessee for statistical purposes.

7. In the result, both the appeals filed by the assessee are allowed for statistical purposes.

Order pronounced under Rule 34(4) of the Income Tax Appellate Tribunal Rules, 1963.

Sd/-
(OM PRAKASH KANT)
ACCOUNTANT MEMBER

Sd/-
(PAVAN KUMAR GADALE)
JUDICIAL MEMBER

Mumbai Dated 09.10.2023

KRK, PS

Copy of the Order forwarded to :

1. The Appellant

2. The Respondent
3. The CIT (Judicial)
4. The PCIT
5. DR, ITAT, Jabalpur
6. Guard File

आदेशानुसार / BY ORDER,

सत्यापित प्रति //True Copy//

1.

(Asst. Registrar)
ITAT, Jabalpur