



IN THE INCOME TAX APPELLATE TRIBUNAL, PUNE 'B' BENCH, PUNE



BEFORE HON'BLE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER  
AND

SHRI G. D. PADMAHSHALI, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA No.949/PUN/2024

Sea Cadet Corps Pune Unit

S. No. 96/96, C-96-D, Plot No. 2,

Flora Bunglow, A-6, Ground 15<sup>th</sup> Flr,

Mundhwa, Pune-411036

PAN: AAZTS6192E

.....अपीलार्थी / *Appellant*

V/s

The Commissioner of Income Tax

(Exemption), Pune

..... प्रत्यर्थी / *Respondent*

### **Appearances**

Assessee by: Smt Deepa Khare ['Ld. AR']

Revenue by: Mr Ajaykumar Kesari ['Ld. DR']

Date of conclusive Hearing : 26/08/2024

Date of Pronouncement : 26/08/2024

### **ORDER**

#### **PER G. D. PADMAHSHALI, AM;**

By present appeal, the assessee impugned the order of rejection passed u/s 12A(1)(ac)(vi) of the Act by the Commissioner of Income Tax (Exemption), Pune [for short 'CIT(E)'] vide DIN & order No. ITBA/EXM/F/EXM45/2023-24/1059477312(1) dt. 08/01/2024.

2. At the outset, after vouching sufficiency of reasons beyond undeliberate 54 days delay in instituting the present appeal, we in the larger interest of justice and after placing reliance on 'Vijay Vishin Meghani Vs. DCIT & Anr' reported 398 ITR 250 (Bom) and 'Collector, Land Acquisition, Anantnag and Anr. Vs Ms Katiji and Others' reported at 167 ITR 5 (SC), deem it fit to condone the same and proceed to adjudicate the issue.



3. We have heard rival submission; and subject to provisions of rule 18 of 'ITAT Rules', perused material placed on record.

4. We note that, the appellant vide Form No. 10AB dt. 14/08/2023 filed an application to the respondent under clause (iii) of section 12A(1)(ac) of the Act thereby seeking regular/final registration u/s 12AB of the Act. The appellant's failure to annexe required documents as contemplated u/r 17A(2)(k) of IT-Rules, the Ld. CIT(E) by notice dt. 21/10/2023 accorded an opportunity to make good the deficiency of the application, the assessee supplied requisite documents. In the event of failure on the part of assessee to effectively comply with the requirement the Ld. registering authority granted one more opportunity to the assessee vide separate notice dt. 11/12/2023 intimating thereby discrepancies noted by him from the submission made. The reply of the assessee did fail to inspire the Ld. CIT(E) and effective prove/support to draw positive conclusion about the genuineness of activities.

5. In absence of requisite documents, the Ld. CIT(E) was constrained to reject to grant regular registration and cancel the provisional registration granted to appellant on 31/08/2021 u/s 12AB r.w.s. 12A(1)(ac)(vi) of the Act as he could not draw any satisfactory conclusion about genuineness of activities of the appellant and satisfaction over compliance of requirements of any other law for the time being in force as are material for the purpose of achieving its stated objective of the appellant.



6. We note that, the statute empowers the registering authority to call any such documents or information so as to satisfy himself with twin prescriptions of section 12AB(1)(b)(i) of the Act viz; (A) genuineness of activities (B) Compliance with all applicable laws etc., and in order to draw conclusion over satisfaction the registering authority is duty bound to carry out wholesome & autonomous exercise according to nature/character of charitable purpose *vis-a-vis* the applicant engaged into. In arriving to conclusion over satisfaction about the genuineness of activities and compliance of applicable law, the registration proceedings is expected to vouch predominantly; (i) whether applicant is a public charitable trust established in accordance with applicable law & in operation as such [Constitution/Establishment] (iii) whether all the entries of object clause are in consonance with the 'charitable purpose' as defined by section 2(15) of the Act [Objects] (iv) whether there exist any implied or express provision in the constitutional & other administrative documents/policies etc., entitling any right or power to the trust/trustee carry to engage (by itself or through agent/appointees) into any activities outside the ambit of registered objects [Rights/Power] (vi) whether all the activities and operation are strictly carried out in line with the registered objects of 'charitable in nature' [Activity] and finally (vii) whether it is compliant of all the applicable law in all respect and around the clock[Compliance]. Any proceedings culminated without vouching these former key factual (Corac) would *prima-facie* be deficient as it may lead to absurd conclusion.



7. We find that, owing to absence of evidential documents and failure on the part of appellant to cure notified deficiencies constrained the Ld. CIT(E) to culminate the impugned registration proceedings without former wholesome & autonomous exercise. However, the reasons behind non-compliance as explained in each of these cases in our considered view are sufficient for setting aside the rejection and remitting these matters back to the file of registering authority for *de-nova* consideration which the Ld. DR could hardly object.

8. In view hereof, without commenting on merits we set-aside the impugned rejection and cancellation of provisional registration, and consequently, remit the matters back to the file of Ld. CIT(E) for *de-nova* consideration of issue and decide the issue of registration in accordance with law after providing two effective opportunities to the appellant assessee.

**9. The appeal in result is ALLOWED FOR STATISTICAL PURPOSES.**

U/r 34 of ITAT Rules, order pronounced in open court on this Monday, 26th day of August, 2024.

**-S/d-**

**S. S. GODARA**  
**JUDICIAL MEMBER**

पुणे / PUNE; दिनांक / Dated : 26th day of August, 2024.

**आदेशकीप्रतिलिपिअग्रेषित / Copy of the Order forwarded to :**

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|--------------------------------|---------------------------------|
| 1. अपीलार्थी / The Appellant.  | 2. प्रत्यर्थी / The Respondent. |
| 4. The CIT-Concerned(MH-India) | 5. DR, ITAT, Bench 'B', Pune    |

**-S/d-**

**G. D. PADMAHSHALI**  
**ACCOUNTANT MEMBER**

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|-------------------------------|
| 3. The Pr.CIT(Exemption),Pune |
| 6. गार्डफाइल / Guard File.    |

आदेशानुसार / By Order  
वरिष्ठनिजीसचिव / Sr. Private Secretary  
आयकरअपीलीयन्यायाधिकरण, पुणे / ITAT, Pune.