

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'G': NEW DELHI**

**BEFORE,
SHRI S.RIFAUR RAHMAN, ACCOUNTANT MEMBER
AND
SHRI VIMAL KUMAR, JUDICIAL MEMBER**

ITA No.1718/Del/2024
(ASSESSMENT YEAR 2023-24)

Sant Shiromani Namdev Charitable Trust Purani Tehsil Road, Adarsh Nagar, Jhajjar Haryana PAN:AALTS7875C	Vs.	CIT(Exemptions) Chandigarh
(Appellant)		(Respondent)

Assessee by	Shri Naveen Gupta, Adv.
Respondent by	Shri Dharam Veer Singh, CIT- DR

Date of Hearing	13/08/2024
Date of Pronouncement	13/08/2024

ORDER

PER VIMAL KUMAR, JM:

1. The appeal of the Assessee arises out of order of the Learned Commissioner of Income Tax (Exemptions), Chandigarh, [hereinafter referred to as 'Ld. CIT(E)'] dated 12/03/2024, in form of 10AB of the Income Tax Act, 1961 (hereinafter the 'the Act') vide application to CIT (Exemption), Chandigarh 2023-24/12AA/11180 was rejected.

2. The brief facts of the case are that the appellant/assessee filed From 10AB under Section 12A(1)(ac)(iii) on 26/09/2023. The learned CIT (Exemption) vide order dated 12/03/2024 rejected the application for grant of registration under Section 12A(1)(ac)(iii) of the Act.

3. Being aggrieved appellant/assessee filed the present appeal with following grounds:

“1. That the order of the Ld. CIT (E) is against law and facts.

2. That the Ld. CIT (E) erred in rejecting the application of appellant for registration u/s 12A/ 12AB of the Act, although the appellant fulfills all the conditions laid down in the Act and all the objects and activities of the appellant are charitable in nature.

3. That the Ld. CIT (E) erred in observing in her order rejecting the application for registration u/s 12A/ 12AB by observing that the appellant has not furnished financial statements, activity report, proof of charitable activities and affidavit; although the appellant had furnished all the details and documents required by the Ld. CIT (E).

4. That the Ld. CIT (E) erred in rejecting the application for registration u/s 12A/12AB, although no proper opportunity of hearing was given by the Ld. CIT(E) to the appellant and if Ld. CIT(E) has any objection regarding the activities of the appellant or some more details and documents required from the appellant, Ld. CIT(E) should give an opportunity to the appellant to furnish the same which was never given by the Ld. CIT (E) to the appellant.

5. That the appellant craves leave to add, alter, modify, amend or withdraw any of the ground of appeal at the time of hearing.”

4. Learned Authorized Representative for appellant/assessee submitted that the appellant/assessee is a charitable institution existing since 23/02/2012 and rejected the application of registration under Section 12A of the Act on 12/03/2024. In response to letter dated 27/10/2023 appellant/assessee had

submitted reply dated 21/12/2023 along with copies of documents showing detail of charitable activities which are page No.4 to 51 of Paper Book.

5. Learned DR on the other hand supported impugned order and requested for its confirmation.

6. From examination of record in light of above said rival submissions it is crystal clear that in response to letter dated 27/10/2023 appellant/assessee had submitted reply dated 21/12/2023 along with copies of Bank Statement, current year electricity bill in respect of premises for which NOC has been submitted, showing a detail of charitable activities which are Page No.4 to 51 of Paper Book. Ld. CIT(E) reject the application for not filing complete details regarding activities.

7. Hon'ble Supreme Court of India in Ananda Social & Educational Trust vs. Commissioner of Income Tax reported as 426 ITR 340 (SC) has held as under:

“12. Since section 12AA pertains to the registration of the Trust and not to assess of what a trust has actually done, we are of the view that the term ‘activities’ in the previous includes ‘proposed activities’, That is to say, a Commissioner is bound to consider whether the objects of the Trust are genuinely charitable in nature and whether the activities which the Trust proposed to carry on are genuine in the sense that they are in line with the objects of the Trust.”

8. In view of above material facts and well settled principle of law passing of impugned order has led to miscarriage of justice which is required to be remedied. Accordingly impugned order is not just,

fair and legal. Therefore, it would be appropriate and reasonable if the appeal is remanded back to the file of the learned CIT (Exemption) for fresh adjudication in accordance with law.

9. In the result, appeal is allowed for statistical purpose. The matter is restored to the file of Ld. CIT(E) for consideration of Form 10AB for registration as per law.

Order pronounced in the open Court on 13th August, 2024.

Sd/-

(S.RIFAUR RAHMAN)
ACCOUNTANT MEMBER

Sd/-

(VIMAL KUMAR)
JUDICIAL MEMBER

Dated: 13/08/2024

Pk/sps

Copy forwarded to:

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

ASSISTANT REGISTRAR
ITAT, NEW DELHI