

**IN THE INCOME TAX APPELLATE TRIBUNAL
“F” BENCH, MUMBAI**

**BEFORE MS PADMAVATHY S, AM &
SHRI SANDEEP SINGH KARHAIL, JM**

I.T.A. No.1859/Mum/2024
(Assessment Year: 2023-24)

I.T.A. No.2091/Mum/2024
(Assessment Year: 2023-24)

Vintage & Classic Car Club of India 4 th Floor, Nanabhai Mansion, Sir P.M. Road, Fort, Mumbai-400001. PAN : AACCV3256C	Vs.	CIT (Exemptions), Room No. 601, 6 th Floor, Cumballa Hill MTNL TE Bldg, Pedder Road, Dr. Gopalrao Deshmukh Marg, Cumballa Hill, Mumbai-400026.
Appellant)	:	Respondent)

Appellant /Assessee by : Shri Haresh Purushotamdas Shah,
AR

Revenue / Respondent by : Shri Ankush Kapoor, CIT-DR

Date of Hearing : 28.08.2024

Date of Pronouncement : 02.09.2024

ORDER

Per Padmavathy S, AM:

These appeals by the assessee are against the separate order of Commissioner of Income Tax (Exemptions), Mumbai [in short 'the CIT(E)'] both dated 22.02.2024 for Assessment Year (AY) 2023-24 rejecting the registration under section 12AA and registration under section 80G of the Income Tax Act, 1961 (the Act).

2. The assessee is a charitable trust and filed the application in Form-10AB seeking registration under section 12AA of the Act. The CIT(E) rejected the application stating that the application filed by the assessee is incomplete and the required documents accompanying the application were not furnished. The CIT(E) further held that as per the Form-10AB filed the objects of the assessee is “Advancement of any other objects of General Public Utility” and that the main activity carried on was arrangement of Annual Vintage Vehicle Fiesta and Vintage Car Exhibitions for which the assessee is taking entry fee. Therefore the CIT(E) held that the activities of the assessee are in the nature of trade, commerce or business and the fees collected cannot be construed as voluntary donations received as per the provisions of section 12AA of the Act. Therefore, the CIT(E) rejected the application made by the assessee for registration under section 12AA as well as registration under section 80G of the Act.

3. We heard the parties and perused the material on record. The main contention of the Id. AR is that the CIT(E) while rejecting the application has considered only one submission made by the assessee on 02.02.2024 but did not consider the submissions dated 05.02.2024. The Id. AR further contending that the activity of the assessee in arranging Annual Vintage Vehicle Fiesta and Vintage Car Exhibitions is not in the nature of trade, commerce or business as the entry fee collected is very nominal and that the assessee is mainly engaged in advancement of any other objects of General Public Utility which is eligible for registration under section 12AA of the Act. In this regard, we notice that the Hon’ble Supreme Court in the case of ACIT(E) Vs. Ahmedabad Urban Development Authority [2022] 143 taxmann.com 278 (SC) has laid down certain principles with regard to charitable institutions with the objects of advancement of any other objects of

General Public Utility carrying on certain activities which can be in the nature of trade or commerce whether can be considered engaged in charitable activities. Further we notice that the CIT(E) while rejecting the application has not considered all the details furnished by the assessee completely and has not considered the principles laid down by the Hon'ble Supreme Court. Therefore, in the interest of natural justice and fair play, we remand the issue of rejection of registration under section 12AA as well as registration under section 80G of the Act back to the CIT(E) with a direction to consider the issue based on the various details furnished by the assessee, keeping in mind, the principles laid down by the Hon'ble Supreme Court in the case of Ahmedabad Urban Development Authority (supra). Needless to say that the assessee be given a reasonable opportunity of being heard. It is ordered accordingly.

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

Order pronounced in the open court on 02-09-2024.

Sd/-
(SANDEEP SINGH KARHAIL)
Judicial Member

**SK, Sr. PS*

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent
3. DR, ITAT, Mumbai
4. Guard File
5. CIT

Sd/-
(PADMAVATHY S)
Accountant Member

BY ORDER,

(Dy./Asstt. Registrar)
ITAT, Mumbai