

**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.1515/Del/2024  
(ASSESSMENT YEAR 2024-25)**

Shri Ram Darbar Sewak Pariwar Dharmarth Trust, House No.7, Kailashwati, Bhawan, Gali Nalbandh, City Thana Road, Hisar, Haryana-125001 PAN:AAXRS6432R	Vs.	CIT(Exemption) Chandigarh
<b>(Appellant)</b>		<b>(Respondent)</b>

Assessee by	Shri Suraj Bhan Nain, Adv. Mr. Mahfuzur Rahman, Adv.
Respondent by	Shri Sujit Kumar, CIT- DR

Date of Hearing	06/08/2024
Date of Pronouncement	11/09/2024

**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 23/02/2024, in form of 10AB of the Income Tax Act, 1961 (hereinafter the 'the Act') vide

which application to CIT (Exemption), Delhi 2023-24/12AA/10933 was rejected.

**2.** Brief facts of the case are that appellant/assessee filed applications dated 31/08/2023 in Form No. 10AB seeking registration under Section 12A(1)(ac)(iii) of the Income Tax Act, 1961. Appellant was issued a questionnaire dated 27/09/2023 with request to furnish certain details/documents/clarification in support of claim of registration. The appellant filed reply on 26/01/2024 with copy of note of activity and photographs. Ld. CIT(E) vide order dated 23/02/2024 rejected application for registration.

**3.** Being aggrieved appellant/assessee preferred appeal with following grounds:-

*“1. That having regard to the facts and circumstances of the case, the order u/s 12AB of the Income Tax Act, 1961 (the Act) dated 23.02.2024 passed by the Ld. Commissioner of Income Tax (Exemptions), Chandigarh rejecting the application for registration is bad both in the eyes of law and on facts.*

*2. That having regard to the facts and circumstances of the case, Ld. Commissioner of Income Tax (Exemptions) erred in rejecting the application for registration u/s 12AB of the Income Tax Act on account of non-satisfaction of genuineness of activities of the appellant Trust overlooking and not properly considering the tangible material furnished by the appellant during the proceeding u/s 12AB of the Act.*

*3. That having regard to the facts and circumstances of the case, Learned Commissioner of Income Tax (Exemptions) erred in rejecting the application for registration u/s 12AB of the Act without clearly specifying any deficiency in the documents submitted by the applicant and without seeking any further clarifications/explanation on the documents furnished by the applicant regarding charitable activities undertaken by the applicant trust.*

4. *In any view of the matter and in any case, the Ld. Commissioner of Income Tax (Exemptions) erred in rejecting the application for registration u/s 12AB of the Act without giving proper and reasonable opportunity to the appellant and, hence, the impugned order has been passed in clear breach of the principle of natural justice and, therefore, the impugned order deserves to be quashed.*

5. *That the appellant craves the leave to add, modify, amend, or delete any of the grounds of appeal at the time of hearing and all the above grounds are without prejudice to each other."*

**4.** Learned Authorized Representative for appellant/assessee submitted that Learned CIT(Exemption) without considering documents erred in rejecting application for registration on the ground that appellant had not carried out any charitable activity as envisaged under section 2(15) of the Income Tax Act, 1961.

**5.** Learned Authorized Representative for department of revenue submitted that appellant/assessee failed to submit complete details regarding activities undertaken as per aims and objectives of the trust.

**6.** From examination of record in light of aforesaid rival submissions it is crystal clear that the applications dated 31/08/2023 in Form No. 10AB seeking registration u/s. 12A(1)(ac)(ii) of the IT Act was filed. As per notice dated 27/09/2023 appellant/assessee filed final reply dated 26/01/2024 along with copies of documents and sought some more time to copies of Bank Statement, current year electricity bill in respect of premises for which NOC has been submitted. 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.

9. Hence the appeal of the assessee is allowed for statistical purpose. The matter is restored to the file of Ld. CIT(E) for consideration of Form 10AB and consider granting of registration as per law.

Order pronounced on 11<sup>th</sup> September, 2024.

Sd/-

Sd/-

**(S.RIFAUR RAHMAN)**  
**ACCOUNTANT MEMBER**

**(VIMAL KUMAR)**  
**JUDICIAL MEMBER**

Dated: 11/09/2024

*Pk/sps*

Copy forwarded to:

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

ASSISTANT REGISTRAR  
ITAT, NEW DELHI