

**IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE BENCH "A", PUNE**

**BEFORE SHRI R. K. PANDA, VICE PRESIDENT  
AND  
MS ASTHA CHANDRA, JUDICIAL MEMBER**

**ITA No.812/PUN/2024**

M/s. Lokmitra Shikshan Sanshta 608, Pune Mahlunje, Pune – 411057	<b>Vs.</b>	CIT (Exemption), Pune
<b>PAN: AAATL9903B</b>		
<b>(Appellant)</b>		<b>(Respondent)</b>

Assessee by : Shri Hari Krishna  
Department by : Shri Keyur Patel, CIT-DR  
Date of hearing : 04-07-2024  
Date of pronouncement : 13-09-2024

**ORDER**

**PER ASTHA CHANDRA, JM :**

This appeal filed by the assessee is directed against the order dated 19.02.2024 of the CIT(Exemption) denying the registration u/s 12A of the Income Tax Act, 1961 (hereinafter referred to as 'the Act').

2. Facts of the case in brief, are that the assessee filed an application in Form No.10AB on 20.09.2023 for registration of the trust u/s 12A of the Act. In order to verify the genuineness of the activities of the assessee and compliance to requirements of any other law for the time being in force by the trust / institution as are material for the purpose of achieving its objects, a notice was issued through ITBA portal on 05.12.2023 requesting the assessee to upload certain information /

clarification. Due to the non-compliance from the side of the assessee, the CIT(Exemption) rejected the application by observing as under:

*“5.1 Thus, the assessee has failed to furnish the details called for under the provisions of section 12AB(1)(b)(i) of the Income Tax Act, 1961 to verify the genuineness of activities of the trust/institution and to verify the compliance to requirements of any other law for the time being in force by the trust institution as are material for the purpose of achieving its objects.*

*5.2 In absence of the compliance to the above requirement, it is not possible to arrive at any conclusion about the genuineness of activities of the assessee and the compliance to the requirements of any other law for the time being in force by the trust / institution as are material for the purpose of achieving its objects.*

*5.3 It is clear from the above that the assessee was given sufficient opportunity to comply, but it has not complied to the same. It seems that the assessee is not having any supporting documents / evidence to submit. The assessee has failed to comply with the provisions of section 12AB(1)(b)(i) of the Income Tax Act, 1961. Hence, the undersigned is unable to draw any satisfactory conclusion about genuineness of activities of the assessee and the compliance to the requirements of any other law for the time being in force by the trust / institution as are material for the purpose of achieving its objects. Therefore, the undersigned has left no alternative but to reject the application.*

*6. In view of the above, the application filed by the assessee is hereby rejected and the provisional registration granted on 24/03/2023 under section 12AB read with section 12A(1)(ac) (vi) of the Income Tax Act, 1961 is hereby cancelled.”*

3. Aggrieved with such order of CIT(Exemption), the assessee is in appeal before the Tribunal by raising the following grounds:

1. *The order dated 19-02-2024 passed by the Commissioner of Income Tax (Exemptions) rejecting the application of the assessee for registration u/s 12A of the income Tax Act is bad- In-law and invalid as it has been passed in violation of the principles of natural justice.*

**STATEMENT OF FACTS FOR GROUND NO.1**

1. *The assessee Trust is running a school in the village Marunji, Tal. Mulshi, Dis. Pune.*
2. *It was granted provisional registration u/s 12AB of the Income Tax Act vide order dated 24.03.2023.*

3. *It has filed application in Form No. 10AB on 20.09.2023 for regular registration u/s 12AA of the Income Tax Act. In the said application the Email Address "sunflowerkidsschool@gmail.com" of the school was given as registered email address for communication purposes. The Trustee Mr. Shivaji Kondiba Buchade, however, is not well versed with the technology. So, he did not regularly check the emails. Accordingly, the two notices /questionnaires sent by the Commissioner of Income Tax (Exemptions) on the above email have remained to be complied with. The details/documents/information and evidence required by the Commissioner of Income Tax (Exemptions) could not be furnished. This has lead to passing of the ex-parte order rejecting the application for registration of the trust u/s 12AA of the Income Tax Act and cancellation of the provisional registration.*
4. *The assessee humbly requests that one more opportunity may be granted to it to furnish the details / documents and information before the Commissioner of Income Tax (Exemptions). The assessee undertakes to furnish all the details/documents/information and evidence that may be required by the Commissioner of Income Tax (exemptions) in this regard.*
2. *The Ld. Commissioner of Income Tax exemption has erred in rejecting the application of the assessee for registration u/s 12A of the Income Tax Act.*
3. *The Ld. Commissioner of Income Tax exemptions Pune has erred in cancelling the provisional registration granted on 24.03.2023 u/s 12AB r.w.s 12A(1)(ac) (vi) of the Income Tax Act.*
4. *The appellant craves leave to add to or amend/modify or delete any or all of the above grounds of appeal.*

4. The Ld. Counsel for the assessee submitted that no proper opportunity of being heard to the assessee has been granted by the CIT(Exemption). He submitted that in the interest of justice, the assessee should be granted an opportunity to substantiate its case. He further submitted that the CIT(Exemption) has no power to cancel the provisional registration granted earlier.

5. The Ld. DR on the other hand referring to the order of the CIT(Exemption) drew the attention of the Bench to the number of opportunities granted by the CIT(Exemption) and submitted that since the assessee failed to comply to the statutory notices issued by the CIT(Exemption), he was fully justified in rejecting the application filed by the assessee.

6. We have heard the rival arguments made by both the sides and perused the order of the CIT(Exemption). It is an admitted fact that due to non-compliance to the statutory notices issued by the CIT(Exemption), he rejected the application filed by the assessee for grant of registration. It is the submission of the Ld. Counsel for the assessee that given an opportunity, the assessee is in a position to file all the requisite details to substantiate its case. Considering the totality of the facts of the case and in the interest of justice, we deem it proper to restore the issue to the file of the CIT(Exemption) with a direction to grant one last opportunity to the assessee to substantiate its case by filing the requisite details regarding the genuineness of the activities of the assessee trust and decide the issue as per fact and law. The assessee is hereby directed to submit the details as called for by the CIT(E) on the appointed date without seeking any adjournment under any pretext, failing which the CIT(Exemption) is at liberty to pass appropriate order as per law. We hold and direct accordingly. The grounds raised by the assessee are accordingly allowed for statistical purposes.

7. In the result, the appeal filed by the assessee is allowed for statistical purposes.

Order pronounced in the open Court on 13<sup>th</sup> September, 2024.

**Sd/-**  
(R. K. PANDA)  
VICE PRESIDENT

**Sd/-**  
(ASTHA CHANDRA)  
JUDICIAL MEMBER

पुणे Pune; दिनांक Dated : 13<sup>th</sup> September, 2024  
GCVSR

**आदेश की प्रतिलिपि अग्रेषित/Copy of the Order is forwarded to:**

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The Respondent
3. The concerned Pr.CIT
4. DR, ITAT, 'A' Bench, Pune
5. गार्ड फाईल / Guard file.

**आदेशानुसार/ BY ORDER,**

**// True Copy //**

Senior Private Secretary  
आयकर अपीलीय अधिकरण ,पुणे  
/ ITAT, Pune

S.No.	Details	Date	Initials	Designation
1	Draft dictated on	11.09.2024		Sr. PS/PS
2	Draft placed before author	11.09.2024		Sr. PS/PS
3	Draft proposed & placed before the Second Member			JM/AM
4	Draft discussed/approved by Second Member			AM/AM
5	Approved Draft comes to the Sr. PS/PS			Sr. PS/PS
6	Kept for pronouncement on			Sr. PS/PS
7	Date of uploading of Order			Sr. PS/PS
8	File sent to Bench Clerk			Sr. PS/PS
9	Date on which the file goes to the Head Clerk			
10	Date on which file goes to the A.R.			
11	Date of Dispatch of order			