

**IN THE INCOME TAX APPELLATE TRIBUNAL,  
MUMBAI BENCH "G", MUMBAI**

**BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER  
AND  
SHRI RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER**

**ITA No.1764/M/2024  
Assessment Year: NA**

<b>M/s. Sindhi Panchayat Malad East &amp; West Trust,</b> Room No.17/3, Jakeria Chawl, Jakeria Road, Malad West, Maharashtra - 400 064 <b>PAN: AAATS2019M</b>	Vs.	<b>CIT (Exemption),</b> Room No.601, Cumballa Hill, MTNL Building, Peddar Road, Mumbai Maharashtra - 400064
(Appellant)		(Respondent)

**Present for:**

Assessee by : Shri Harish Purshottamdas Shah, A.R.  
Revenue by : Dr. Kishor Dhule, CIT- D.R.

Date of Hearing : 02 . 09 .2024  
Date of Pronouncement : 23 . 10 .2024

**O R D E R**

**Per : Narender Kumar Choudhry, Judicial Member:**

This appeal has been preferred by the Assessee against the order dated 08.03.2024, impugned herein, passed by the Ld. Commissioner of Income Tax (Exemptions) (in short Ld. Commissioner) under section 12AB(I) of the Income Tax Act, 1961 (in short 'the Act').

**2.** In this case, the applicant trust was granted a provisional registration dated 30.11.2022 in form 10AC for the period A.Y. 2023-24 to A.Y. 2025 – 26.

**3.** Thereafter the Assessee sought for a regular registration u/s 12A by filing application in form No.10 AB of the Act.

**4.** The Ld. Commissioner on verification of the application filed by the Assessee found that the application is incomplete and the documents required to be accompanied the application, were not furnished and therefore by issuing a notice dated 01.01.2024 show caused the Assessee to furnish complete set of documents. In response the Assessee filed its submission on 18.01.2024.

**5.** On perusing the financials and evidence of activities submitted, the Ld. Commissioner has observed that the activities of the Assessee are majorly religious in nature. The Ld. Commissioner while perusing the form No.10A and 10AB also observed that the nature of activity of the trust is mentioned as "charitable". The Assessee trust is a charitable trust and carrying out religious activities as per section 13(1) of the Act. The Ld. Commissioner also observed that there is misinformation by filing the application in form 10A and 10AB being charitable, carrying out religious activities. The Ld. Commissioner ultimately denied the registration to the trust by rejecting the application filed by the Assessee.

**6.** The Assessee being aggrieved is in appeal before us. The Assessee before us has submitted that the Assessee had on August 11, 2024 also organized various camps such as medical camps for orthopedic, bone & joint checkup, dental checkup, respiratory and cardiac (ECG checkup),

thermal screening for breast cancer and book donation camps etc. . The Assessee trust also carried out other charitable activities by providing fruits, clothes etc. to the poor and the orphans. The Assessee further by filing an affidavit has given an undertaking that Assessee trust is carrying on substantially the activities for the public at large irrespective of any caste, creed or any religion on regular basis such as educational and medical activities by organizing various events in the form of educational seminars, book donation camps, medical camps for the poor and needy public at large and also organizing sports, athletic events etc. to promote sports. And in the coming 3 months from September 2024 onwards, undertakes/commits to carry out more charitable activities (not related to religion) for public at large irrespective of any caste or creed as under:

- (1) Education - to donate cash and books for promoting more or less and for promoting education to poor needy states.
- (2) Medical arrangements- medical camps for the needy and poor section to offer any medical to any poor and needy citizens or old age homes.
- (3). To offer medical and/or cash assistance to the orphanage/s.

The Assessee trust further submitted that it is committed to offer continuously a helping hand for any assistance in the form of cash or kind with a view to give relief to the poor and needy people at large and assuming social obligation towards humanity.

**7.** On the contrary the Ld. D.R. reiterated the impugned order.

**8.** We have considered the affidavit/ submission of the Assessee and the conclusion drawn by the Ld. Commissioner in rejecting the application filed by the Assessee. We observe that the Ld. Commissioner rejected the

application mainly on the reason that the Assessee has carried out the religious activities. From the submission dated 14.02.2024 it appears that the Assessee during the F.Y. 2022 – 23 has distributed fruits to the needy people during social gathering to the tune of Rs.32,000/- and thereafter on the day of Chetichand festival also spent Rs.2,33,780/- on account of expenses of mandap, Pooja decoration, ground rent and food distribution to the needy people on social gathering. Thereafter spent Rs.2,46,673/- on account of food distribution to needy people and all expenses for Chhalio Saheb celebration. It appears from the aforesaid details, though the Assessee has also spent some amount for religious activities. The Assessee before us by filing relevant documents also demonstrated the activities carried out, which prima face appears to be charitable in nature. Even otherwise aims and objects as appear in the constitution of the Assessee trust, nowhere indicates that the Assessee has to carry out any religious activities. May be incidentally the Assessee has carried out religious activities but as per objects of the Assessee trust, the Assessee trust is supposed to carry out the charitable activities only and therefore in the registration if to be granted then the condition may be imposed for not carrying out any religious activities majorly.

Thus, considering the peculiar facts and circumstances of the case referred to above in totality, as the Assessee trust has been able to demonstrate to have carried out the charitable activities, therefore for just decision of the case and substantial justice, we deem it appropriate to remand the instant case to the file of the Ld. Commissioner to consider the charitable activities carried out by the Assessee trust and to be carried out as per undertaking. Thus, the case is accordingly reminded to the file of the Ld. Commissioner.

9. In the result, the appeal filed by the Assessee is allowed for statistical purposes.

**Order pronounced in the open court on 23.10.2024.**

**Sd/-  
(RATNESH NANDAN SAHAY)  
ACCOUNTANT MEMBER**

**Sd/-  
(NARENDER KUMAR CHOUDHRY)  
JUDICIAL MEMBER**

\* Kishore, Sr. P.S.

Copy to: The Appellant  
The Respondent  
The CIT, Concerned, Mumbai  
The DR Concerned Bench

//True Copy//

By Order

Dy/Asstt. Registrar, ITAT, Mumbai.