

IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCHES "B", PUNE

BEFORE DR.MANISH BORAD, ACCOUNTANT MEMBER
AND SHRI VINAY BHAMORE, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.1955/PUN/2024

Shri Shwetamber Uardhman Jainseva Sangh Aurangabad, Ahinsa Bhawan, N3, CIDCO, Aurangabad 431 001 Maharashtra PAN : AAGTS5207D	Vs.	CIT (Exemption), Pune
Appellant		Respondent

Assessee by	:	Ms. Diksha Agarwal
Revenue by	:	Shri Ajay Kumar Keshari
Date of hearing	:	07.11.2024
Date of pronouncement	:	14.11.2024

आदेश / ORDER

PER DR. MANISH BORAD, ACCOUNTANT MEMBER :

The captioned appeal at the instance of Assessee is directed against the order dated 22nd July, 2024 framed by learned CIT (Exemption), Pune.

2. In the extant appeal, assessee has raised following grounds of appeal :

"1. On facts and circumstances prevailing in the case and as per provisions and scheme of the Act it be held that the Id. Commissioner of Income Tax(Exemption) has erred in rejecting the registration granted under section 12AB of the Act. The order so passed by the Ld. Commissioner of Income Tax (Exemption) is improper, unjustified and contrary to the provisions of the Act and be treated as null and void. The Appellant be granted just and proper relief in this respect.

2. Without prejudice to above ground, the Ld. Commissioner of Income Tax(Exemption) had erred in withdrawing provisional registration granted on 25th May 2022. The Appellant prays for

restoration of provisional registration order dated 25th May 2022, for the period for which it was granted.

3. The Appellant prays to be allowed to add, amend, modify, rectify, delete, raise any grounds of appeal at the time of hearing.

4. The Appellant prays leave to adduce such further evidence to substantiate its case, as the occasion may demand.”

3. Brief facts emanating from the record are that the assessee is a Trust, filed application in Form No.10AB u/s.12A(1)(ac)(iii) of the Act on 29.01.2024. In order to verify the genuineness of activities of the assessee and compliance to requirements of any other law for the time being in force by the Trust, the ld. CIT(E) issued notice through ITBA portal 29.03.2024 to the assessee trust calling upon it to file/upload certain information. In compliance, the assessee furnished the requisite information. On verification of the details submitted by assessee, the ld. CIT(E) issued another notice dated 06.06.2024 communicating certain discrepancies in the details so filed. The assessee trust furnished its reply on 12.06.2024. Not convinced with the explanation furnished by the assessee, the ld. CIT(A) chose to reject the application filed by the assessee trust on the ground that details filed by it are very general in nature, failed to furnish the supporting credible evidence in respect of the activities claimed to be carried out other than religious activities, thereby cancelling the provisional registration granted to it on 25.05.2022.

4. Aggrieved assessee trust preferred appeal before the Tribunal.

5. At the outset, Ld. Authorised Representative for the assessee submitted that assessee could not plead properly before ld.CIT(E) and also failed to file necessary submission

placing relevant facts/evidences and therefore a prayer has been made for restoring the issue of approval for registration u/s.12AA of the Act for afresh adjudication.

6. Learned Departmental Representative vehemently argued supporting the order of the ld. CIT(E) and stated that even though sufficient opportunity was granted to the assessee, it did not comply and failed to do the needful on the given date of hearing. Therefore, ld.CIT(E) was justified in rejecting the application filed by the assessee trust.

7. We have heard the rival contentions and perused the record placed before us. We observe that the assessee trust filed an application dated 29.01.2024 on Form No.10AB u/s.12A(1)(ac)(iii) of the Act for granting of registration u/s.12AA of the Act. However after the filing of the application, the ld. CIT(E) issued notice through ITBA portal dated 29.03.2024 directing the assessee to furnish various information mentioned in Para 2 of the impugned order. There was partial compliance and ld.CIT(E) issued further notice on 06.06.2024 pointing out various discrepancies in reply filed by the assessee. The assessee trust furnished its reply on 12.06.2024. However, the ld. CIT(E) rejected the application filed by the assessee trust on the ground that the assessee trust has given very general explanation, failed to furnish the supporting credible evidence in respect of the activities claimed to be carried out other than religious activities.

8. From mere perusal of Para Nos. 2.2 and 2.3 of the impugned order, it would be evident that the ld. CIT(E) issued notice dated 06.06.2024 calling upon the assessee trust to clarify certain discrepancies in the details filed by it. The

compliance to the said notice was due on 13.06.2024, however, the assessee trust filed its reply on 12.06.2024. The time period given for compliance was obviously a very short period and the assessee was able to do only part compliance.

9. We have given our thoughtful consideration to the submissions made by the ld. Authorised Representative for the assessee, facts and circumstances of the case, lack of proper and fair opportunity having been granted to assessee trust and the principles of natural justice being fair to both the parties. In view of the above, we deem it appropriate to grant one more opportunity to the assessee trust, setting aside the issue raised on merit regarding approval of registration u/s.12AA of the Act to the file of ld. CIT(E) for *denovo* adjudication after granting reasonable and proper opportunity to the assessee. Assessee trust is also directed to remain vigilant and make satisfactory compliance to the notice(s) of hearing issued by ld.CIT(E). It should refrain from taking adjournments unless otherwise required for reasonable cause. Effective grounds of appeal raised by the assessee are allowed for statistical purposes.

10. In the result, appeal of the assessee is allowed for statistical purposes.

Order pronounced on this 14th day of November, 2024.

Sd/-
(VINAY BHAMORE)
JUDICIAL MEMBER

Sd/-
(MANISH BORAD)
ACCOUNTANT MEMBER

पुणे / Pune; दिनांक / Dated : 14th November, 2024.

Satish

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

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "B" बेंच,
पुणे / DR, ITAT, "B" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

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