

आयकर अपीलीय अधिकरण "A" न्यायपीठ पुणे में ।  
**IN THE INCOME TAX APPELLATE TRIBUNAL "A" BENCH,  
PUNE**

**BEFORE SHRI RAMA KANTA PANDA, VICE PRESIDENT  
AND  
MS. ASTHA CHANDRA, JUDICIAL MEMBER**

आयकर अपील सं. / ITA No.1807/PUN/2024  
निर्धारण वर्ष / Assessment Year: NA

Ambai Devsthan Trust At Post Dhayari Tal Haveli, Pune-411041 Maharashtra  PAN NO. AAAAAA4094K	<b>Vs</b>	CIT EXEMPTION, PUNE
Appellant/Assessee		Respondent/Revenue

Assessee by	Smt. Deepa Khare
Department by	Shri Amol Khairnar CIT-DR
Date of hearing	25/11/2024
Date of Pronouncement	29/11/2024

**आदेश / ORDER**

**PER MS. ASTHA CHANDRA, JM**

The appeal filed by the assessee is directed against the order dated 20.08.2024 of the Ld. Commissioner of Income Tax (Exemption), Pune [**"CIT(E)"**] whereby he rejected the application of the assessee filed before him in Form No. 10AB on 29.02.2024 under section 12A(1)(ac)(iii) of the Income Tax Act, 1961 (**The "Act"**).

2. The assessee has raised the following grounds of appeal:-  
"1. The ld CIT Exemption erred in law and on facts in rejection of application for registration u/s 12A(1)(ac) (iii) and cancelling provisional registration granted on 06/10/2021 without considering

*the facts and circumstances of the case. The appellant prays for opportunity so as to explain its case.*

*2. The appellant is duly complying with provisions of the Act and registration u/s 12A may kindly be granted.*

*3. The appellant craves leave to add, alter, modify or substitute any ground of appeal at the time of hearing.”*

3. Briefly stated, the facts of the case are that on receipt of application filed in Form 10AB under section 12A(1)(ac)(iii) of the Act alongwith annexures thereto, with a view to verify the genuineness of activities of the assessee etc, the Ld. CIT(E) issued notice on 03.05.2024 requiring the assessee to upload certain information/clarification such as date of commencement of activity with proof, date of expiry of provisional registration, details of any other law applicable for achievement of objectives and the proof of compliance of such law, proof of identity of the main trustee/managing trustees/Directors/President/Secretary of the institution, list of donations, note on activities, etc. under the provisions of section 12AB of the Act. The compliance was sought by 17.05.2024. The notice was served through e-portal and e-mail. On verification of details submitted by the assessee in response to the said notice and the documents submitted alongwith the application, various discrepancies were noticed by the Ld. CIT(E) resulting in issuance of another show cause notice on 30.07.2024 communicating the said discrepancies thereof. The assessee was requested to show cause as to why the application should not be rejected and why the registration granted under section 12AB of the Act should not be cancelled. The assessee was specifically informed that in the event of failure to comply by 07.08.2024, the application shall be liable to be rejected and the provisional registration shall also be liable to be cancelled. The show cause notice was duly served through e-mail portal/e-mail. However, the assessee neither submitted any explanation to the said show cause notice nor availed the opportunity of being heard granted by the Ld. CIT(E)

which lead the Ld. CIT(E) presume that the assessee has nothing to say in the matter.

4. In view of the facts narrated above, the Ld. CIT(E) proceeded to pass the impugned order thereby rejecting the application filed by the assessee and also cancelling the provisional registration granted on 06.10.2021 to the assessee by observing as under:-

*“5. Considering the above facts discussed in the show notice and discrepancies noticed and also that the assessee has not complied with the provisions of section 12AB(1)(b)(i) of the Income Tax Act, 1961 as well as the provisions of Rule 17A(2) of Income Tax Rules, 1962 in spite giving sufficient opportunities, the undersigned is unable to draw any satisfactory conclusion about the genuineness of activities of the assessee and compliance of requirements of any other law for the time being in force by the assessee as are material for the purpose of achieving its objects.”*

5. Dissatisfied, the assessee is in appeal before the Tribunal.

6. The Ld. AR submitted that the non-compliance before the Ld. CIT(E) has occurred due to inadequate opportunity of hearing granted to the assessee. There was no intentional non-compliance before the Ld. CIT(E). The Ld. CIT(E) issued only one notice on 03.05.2024 to which the compliance was sought by 17.05.2024. The assessee filed its response to the said notice which was followed by another show cause notice issued on 30.07.2024 by the Ld. CIT(E) noting various discrepancies thereto. The assessee, however, could not submit its reply to the said show cause notice which was due to be filed on 07.08.2024. The Ld. AR, therefore, submitted that the assessee was not provided with adequate opportunity of hearing by the Ld. CIT(E) to present its case before him. She submitted that given an opportunity, the assessee is in a position to submit all the required details/documentary evidence before the Ld. CIT(E)

including the details on discrepancies cited by him. The Ld. AR therefore, requested that the matter may be set aside to the file of the Ld. CIT(E) to consider the assessee's application for regular registration afresh.

7. The Ld. DR, on the other hand supported the order of the Ld. CIT(E) and submitted that the assessee was granted adequate opportunity by the Ld. CIT(E) to present its case, still the assessee failed to comply to prove the genuineness of the activities of trust to the satisfaction of the Ld. CIT(E) by filing the supporting evidence thereof. The Ld. CIT(E) was, therefore, fully justified in rejecting the assessee's application for regular registration and cancelling the provisional registration.

8. We have considered the rival submission and perused the records. On the facts and in the circumstances of the assessee's case, we are of the view that it would be judicially prudent and in the interest of justice and fair play if the matter is restored back to the file of Ld. CIT(E) to consider afresh the assessee's application for registration under section 12A(1)(ac)(iii) of the Act in accordance with facts and law after allowing one more opportunity of being heard to the assessee and present its case. The assessee shall provide requisite support in terms of submitting the relevant details/documentary evidence as may be required/called upon on the appointed date failing which the Ld. CIT(E) shall be at liberty to pass appropriate order as per facts and law. We order accordingly.

9. In the result, the appeal of the assessee is treated as allowed for statistical purposes.

**Order pronounced in the open court on 29<sup>th</sup> November, 2024.**

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

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

पुणे/Pune; दिनांक /Dated : 29<sup>th</sup> November, 2024

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

1. अपीलार्थी /Appellant
2. प्रत्यर्थी / Respondent
3. The CIT (Exemption), Pune.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "A" बेंच, पुणे/DR, ITAT, "A" Bench, Pune.
5. गार्ड फाइल/Guard File

//True Copy//  
पुणे/Pune

आदेशानुसार/BY ORDER

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