

आयकर अपीलीय अधिकरण, अहमदाबाद न्यायपीठ , अहमदाबाद ।

IN THE INCOME TAX APPELLATE TRIBUNAL
" C " BENCH, AHMEDABAD

BEFORE SHRI TR SENTHIL KUMAR, JUDICIAL MEMBER
And
SHRI NARENDRA PRASAD SINHA, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No. 1000/AHD/2024

निर्धारण वर्ष/Asstt. Year: NA

Samast Shrigaud Samaj Gujarat, 48, Chandra Prakash Soc. No.3, Nr. Old Pilot Dairy, Kankaria, Ahmedabad-380022. PAN: AANAS6331E	बनाम Vs.	The Commissioner of Income Tax, (Exemption), Ahmedabad.
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(अपीलार्थी /Appellant)		(प्रत्यर्थी /Respondent)
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Assessee by	:	Shri Prakash D Shah, AR
Revenue by	:	Shri AP Singh, CIT.DR

सुनवाई की तारीख/Date of Hearing : 18/12/2024

घोषणा की तारीख /Date of Pronouncement: 31/12/2024

आदेश/O R D E R

PER NARENDRA PRASAD SINHA, AM:

This appeal is filed by the assessee against the order dated 27.03.2024 passed by the Ld. Commissioner of Income Tax (Exemption) [In short CIT(Exemption)], Ahmedabad.

2. The brief facts of the case are that the assessee is a trust and had filed an application on 29.09.2023 for registration of trust u/s.12A(1)(ac)(iii) of the Act. The Ld. CIT(E) had called for certain details vide notice dated 21.11.2023 and 22.12.2023, in response to which certain details and documents were filed by the assessee on 08.01.2024. The Ld. CIT(E) had noticed that the objectives of the trust were for benefit of particular religious community or caste i.e. Gaud Samaj. In this regard, the Ld. CIT(E), had issued a show-cause notice to the assessee on 14.03.2024, which was not complied by the assessee and no details/explanations were filed. Therefore, the Ld. CIT(E) passed the impugned order and rejected the application of the assessee. The provisional registration allowed to the assessee trust earlier, was also cancelled.

3. Aggrieved with the order of the Ld. CIT(E), the assessee has filed the present appeal before us. The following grounds have been taken in this appeal.

1. *That the Ld. CIT (Exemption), Ahmedabad has erred in law and facts by rejecting an application for granting approval under the provision of section 12A(1)(ac)(iii) of the Act and therefore you Honor is requested to direct the CIT(Exemption) to grant registration under section 12A(1)(ac)(iii) of the Act.*

2. *That your appellant craves liberty to add, amend alter and delete any grounds of appeal before the final hearing.*

4. Shri Prakash D Shah, Ld. AR appearing for the assessee fairly conceded that assessee did not submit the audited accounts for F.Y 2021-2022 and 2022-2023 and the note on the activity of the assessee as called for by the Ld. CIT(E) was also not furnished. He submitted that the Ld. CIT(E) had rejected the application for the reason that Trust was registered for a particular caste and, therefore, there was violation of section 13(1)(b) of the Act. According to the

Ld. AR the applicability of section 13(1)(b) of the Act was not required to be considered at the time of grant of registration. In this regard he relied upon the decision of Co-ordinate Bench of this Tribunal in the case of *Shree Naminath Shwetamber Mutipujak Tapagachh Jain Religious Trust in ITA No.874/Ahd/2024 dated 20.09.2024*. The Ld. AR, therefore, requested that the matter may be set-aside to the file of the Ld. CIT(E), with a direction to give another opportunity to the assessee. He further submitted that the details/information as required will be furnished before the Ld. CIT(E).

5. Per Contra Shri AP Singh, Ld. CIT.DR submitted that the assessee did not comply to the show-cause notice dated 14.03.2024 issued by the Ld. CIT(E) and, therefore, he had rightly rejected the registration application of the assessee.

6. We have carefully considered the rival submissions. The assessee has not explained the reason for non-compliance before the Ld. CIT(E) and the non-submission of the documents/explanation as called for by him. In the absence of any reasonable explanation for non-compliance before the Ld. CIT(E), we deem it proper to **impose a nominal cost of Rs.5,000/- (Rupees Five Thousand only) on the assessee which should be paid to Income-tax Department**. At the same time, in the interest of justice, we deem it proper to set-aside the matter to the file of the Ld. CIT(E) for allowing another opportunity of being heard to the assessee. The Ld. CIT(E) will also consider the decision of the Co-ordinate Bench of this Tribunal in the case of *Shree Naminath Shwetamber Mutipujak Tapagachh Jain Religious Trust (Supra)* regarding the non-applicability of section 13(1)(b) of the Act at the time of

grant of registration. The Ld. CIT(E) will proceed in the matter after verifying that the cost imposed on the assessee is duly paid.

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

Order pronounced in the Open Court on 31st December, 2024 at Ahmedabad.

**Sd/-
(TR SENTHIL KUMAR)
JUDICIAL MEMBER**

**Sd/-
(NARENDRA PRASAD SINHA)
ACCOUNTANT MEMBER**

अहमदाबाद/Ahmedabad, दिनांक/Dated 31/12/2024

Manish, Sr. PS

True Copy

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

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त (अपील)/ The CIT(A)-(NFAC)
5. विभागीय प्रतिनिधि,आयकर अपीलीय अधिकरण ,राजकोट/DR,ITAT, Ahmedabad,
6. गार्ड फाईल /Guard file.

आदेशानुसार/ BY ORDER,

सहायक पंजीकार (Asstt. Registrar)
आयकर अपीलीय अधिकरण, ITAT, Ahmedabad