

**IN THE INCOME TAX APPELLATE TRIBUNAL
“A” BENCH: BANGALORE**

**BEFORE SHRI WASEEM AHMED, ACCOUNTANT MEMBER
AND
SHRI PRAKASH CHAND YADAV, JUDICIAL MEMBER**

ITA Nos.2412 & 2413/Bang/2024
Assessment Years: NA

Brindle Homes Trust B 703, Gopalan Atlantis ECC Road Whitefield Bengaluru 560 066 PAN NO : AAFTB3837R	Vs.	CIT (Exemptions) Bengaluru
APPELLANT		RESPONDENT

Appellant by	:	Sri H. Yeshwanth Kumar, A.R.
Respondent by	:	Sri Biju M.K., D.R.

Date of Hearing	:	27.01.2025
Date of Pronouncement	:	.01.2025

O R D E R

PER PRAKASH CHAND YADAV, JUDICIAL MEMBER:

These two appeals are related to the same assessee arising out of the orders of Id. CIT(Exemptions), Bangalore as follows:

ITA No.	AY	CIT(E) order dated	DIN
2412/Bang/2024	NA	29.10.2024	ITBA/EXM/F/EXM45/2024-25/1070023921(1)
2413/Bang/2024	NA	29.10.2024	ITBA/EXM/F/EXM45/2024-25/1070023777(1)

For the sake of convenience, we are deciding these two appeals by way of this consolidated order.

2. One appeal is related to the denial of issue of Certificate u/s 12A of the Income Tax Act, 1961 (in short “The Act”) and the other appeal is related to the denial of issue of Certificate u/s 80G of the Act.

3. Short facts (with **respect to 12A registration**) as coming out from the order of the authorities below are that the assessee is a trust registered via a Trust deed dated 25.8.2022 and has got provisional registration u/s 12A of the Act on 29.3.2024, which was valid up to the AY 2026-27. Thereafter, assessee has filed form 10AB on 27.4.2024 seeking permanent registration u/s 12A of the Act before concerned authority. The concerned authority while deciding the application of the assessee has observed that the assessee has failed to commence any activity in accordance with its objects. The Id. Authority was of the view that the assessee has applied for the permanent registration prematurely i.e. without commencing the activity as per its objectives. At last, the Id. Authority dismissed the application of the assessee filed u/s 12A of the Act.

3.1 So far as the rejection of application filed u/s 80G of the Act is concerned, the Id. CIT(Exemption) observed that there was defect in the trust deed in as much as there was no dissolution clause or amendment clause in Trust deed and hence, the trust is not entitled for registration u/s 80G of the Act.

3.2 Aggrieved with the order of Id. CIT(Exemptions), assessee come up in appeal before us.

4. Ld. Counsel for the assessee contended that the assessee has in fact utilized the funds as per the object of the trust deed, he drawn the attention of the Bench towards the fact that the assessee is constructing one building, for carrying out charitable activities. Similarly, for the application u/s 80G of the Act, the assessee has drawn the attention of bench towards trust deed and contended that the observations of the Id. CIT(Exemptions) are factually incorrect.

5. Ld. D.R. relied upon the orders of authorities below.

6. We have heard the rival submissions and perused the materials available on record. It is the case of the revenue that the assessee has prematurely applied for the registration without commencing the

activities. However, the documents filed before us would show that the assessee has already commenced the activities. These documents required verification by the concerned authority and hence, we are of the view that the matter shall be restored to the file of Id. CIT(Exemptions). So far as the denial of issue of certificate u/s 80G of the Act is concerned, we are of the view that the concerned authority would examine this application afresh considering the trust deed as relied upon by the assessee and decide the matter afresh in accordance with law. Therefore, both the matters are restored to the file of CIT(E) for examining afresh. Needless to say that the Ld CIT(E) would grant sufficient opportunities to the assessee before passing any order.

7. In the result, both the appeals of the assessee are allowed for statistical purposes.

Order pronounced in the open court on 29th Jan, 2025

Sd/-
(Waseem Ahmed)
Accountant Member

Sd/-
(Prakash Chand Yadav)
Judicial Member

Bangalore,
Dated 29th Jan, 2025.
VG/SPS

Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The DR, ITAT, Bangalore.
5. Guard file

By order

Asst. Registrar,
ITAT, Bangalore.