

IN THE INCOME TAX APPELLATE TRIBUNAL
NAGPUR BENCH, NAGPUR

BEFORE SHRI V. DURGARAO, JUDICIAL MEMBER AND
SHRIK.M. ROY, ACCOUNTANT, MEMBER

ITA no.208/Nag./2024
(Assessment Year : N.A.)

Shridhar Pachghare Guruji
Dnyan Prabodihini
1, Pathrot, Amravati 444 808
PAN – AANTS4329R

..... Appellant

v/s

Commissioner of Income Tax
Exemption, Pune

..... Respondent

Assessee by : Shri Bhuvanesh V. Kankani
Revenue by : Shri Sandipkumar Salunke

Date of Hearing – 29/01/2024

Date of Order – 30/01/2025

ORDER

PER V. DURGA RAO, J.M.

The present appeal by the assessee is emanating from impugned application dated 13/02/2024, rejecting the provisional registration granted on 01/10/2021, under section 12AB r/w section 12A(1(ac)(vi) of the Income Tax Act, 1961 ("*the Act*"), by the learned Commissioner of Income Tax (Exemption), Pune, [*learned CIT(E)*].

2. The learned CIT(E), while rejecting the registration cited supra, observed as under:–

"2.3 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 Income Tax Act, 1961 should not be cancelled. The assessee was also

given opportunity of being heard vide the said notice. The assessee was specifically informed that in the event of failure to comply by the due date, the application shall be liable to be rejected and the registration shall also be liable to be cancelled. The compliance to the said notice was due on 25/01/2024. The notice was duly served on the assessee through e-portal and email. However, the assessee neither submitted explanation to the show cause notice till date nor availed the opportunity of being heard.

3. Since, the assessee has not furnished any explanation to the discrepancies communicated to it, it is presumed that the assessee has nothing to say in the matter.

4. 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."

3. Before us, the learned Authorised Representative Shri Bhuvanesh V. Kankani, appearing for the assessee submitted that the assessee failed to appear before the learned CIT(A) which resulted in rejection of its application for registration. He, however, prayed that the assessee be granted one opportunity to enable the assessee to appear before the learned CIT(E) and pursue its case and thus he also prayed that the matter be restored to the file of the learned CIT(E).

4. The learned Departmental Representative on the other hand prayed that the order passed by the learned CIT(E) be not disturb as the assessee was granted sufficient opportunities but the assessee chose not to appear.

5. We have heard the rival arguments, perused the material available on record and gone through the orders of the authorities below. It is fact that the assessee did not appear before the learned CIT(E) which resulted in rejection of its application for grant of registration. Even no details and/or documents

were furnished. We also find that the issues raised by the assessee are left un-adjudicated by the learned CIT(E). Therefore, we are of the considered opinion that keeping in view the overall facts and circumstances of the case and following the principles of natural justice, we are of the considered view that one opportunity should be given to the assessee to substantiate its case before the learned CIT(E). In view of the matter, the order passed by the learned CIT(E) is set aside and remit back the matter to the file of the Assessing Officer and direct him to adjudicate the matter afresh on merit and in accordance with law after providing reasonable opportunity of being heard to the assessee. The assessee is also directed to adhere to the statutory notices to be issued by the learned CIT(E) as and when required and produce relevant documents / details, etc., as per the directions of the learned CIT(E) promptly. Accordingly, all the grounds raised by the assessee in this appeal are allowed for statistical purposes.

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

Order pronounced in the open Court on 30/01/2025

Sd/-
K.M. ROY
ACCOUNTANT MEMBER

Sd/-
V. DURGA RAO
JUDICIAL MEMBER

NAGPUR, DATED: 30/01/2025

Copy of the order forwarded to:

- (1) The Assessee;
- (2) The Revenue;
- (3) The PCIT / CIT (Judicial);
- (4) The DR, ITAT, Nagpur; and
- (5) Guard file.

Pradeep J. Chowdhury
Sr. Private Secretary

True Copy
By Order

Sr. Private Secretary
ITAT, Nagpur