

IN THE INCOME TAX APPELLATE TRIBUNAL
NAGPUR BENCH : NAGPUR

BEFORE SHRI V. DURGA RAO, JUDICIAL MEMBER
AND
SHRI KHETTRA MOHAN ROY, ACCOUNTANT MEMBER

ITA.No.518/NAG./2024 [E-APPEAL]
[U/sec.80G of the Income Tax Act, 1961]

Tiger Research an Conservation Trust, Shivneri, RAMDASPETH. PIN – 440 010 Maharashtra. PAN AAATT5687J	vs.	The Income Tax Officer, Ward-1 Exemption, BSNL RTTC Bldg., Seminary Hills, NAGPUR. Maharashtra.
(Appellant)		(Respondent)

For Assessee :	Shri K.P. Dewani, Advocate
For Revenue :	Shri Sandipkumar Salunke, CIT-DR

Date of Hearing :	17.12.2024
Date of Pronouncement :	10.02.2025

ORDER

PER V. DURGA RAO, J.M. :

This appeal has been filed by the assessee against the order dated 31.07.2024 of the learned CIT (Exemption), Pune in rejecting the approval u/sec.80G(v)(i) of the Income Tax Act, 1961 [in short “the Act”].

2. Briefly stated facts of the case are that the assessee trust has filed an application date 07.02.2024 in Form 10AB under clause (iii) of first proviso to sub-section(5) of sec.80G of the Act before the learned CIT (E), Pune. The learned CIT (E) issued notice dated 26.04.2024 through ITBA portal requesting the assessee to upload certain information/ clarification. In response to the same, the assessee furnished certain documents. After verification of the said documents, the learned CIT(E) noted various discrepancies and again issued notice dated 05.07.2024 calling reply of the assessee point-wise with supporting documents. The assessee filed his reply dated 11.07.2024. However, the learned CIT(E) was not satisfied with the explanation/documents submitted by the assessee and rejected the approval u/sec.80G(5)(i) of the Act. While rejecting the approval of the assessee trust, the learned CIT (E) noted that the assessee trust failed to furnish copy of bills/vouchers/invoices/research activity papers and details of donations received through FCRA's and further the assessee trust failed to furnish satisfactory reply in respect

of large funds i.e, Rs.82,65,467/- out of total assets of Rs.1,00,35,798/- lying idle year-to-year in bank accounts/FDRs without its actual utilization and, therefore, the learned CIT (E) cancelled the approval to the assessee trust.

3. Aggrieved by the order of the learned CIT(E), the assessee carried the matter in appeal before the Tribunal.

4. During the course of hearing, Learned Counsel for the Assessee, submitted that since the learned CIT(E) did not find fault with the activities of the submitted on 08.03.2024 for the purpose of registration u/sec.12AB of the Act, as per order of the CIT dated 20.03.2024, assessee-trust has valid registration u/sec.12AB of the Act up-to assessment year 2026-2027 and approval u/sec.80G is also valid up-to assessment year 2026-2027. He also submitted that Form 10B submitted under I.T. Rules is common for the purpose of application u/sec.12AB and approval u/sec.80G of I.T. Act, 1961. He submitted that assessee's registration u/sec.12AB is held from prior to 01.04.2004

onwards and approval was granted prior to 01.04.2021. He contended that approval dated 02.10.2021 is by misrepresentation of facts is contrary to the facts and evidence on record i.e, audited receipts and payments placed on record. He last submitted that there is no statutory provision to cancel approval with retrospective effect and the cancellation of approval granted on 02.10.2021 is unjustified and not sustainable in the eye of law.

5. The Learned DR, on the other hand, relied on the order of the learned CIT(E). He submitted that the assessee trust has huge amounts in bank FDs from preceding two assessment years and 82% of it's donations not utilized for the objects of the trust and failed to substantiate it's claim of non-utilization of funds for the objects of the trust. Therefore, the learned CIT(E) rightly cancelled the approval and pleaded that the order of the learned CIT(E) be upheld by dismissing the appeal of the assessee.

6. We have heard the rival submissions of both the parties and perused the material on record. We find that in

the instant case the assessee trust is enjoying 12A registration from 01.04.2024 and 80G approval was also granted for earlier years from 01.04.2007. Further, the assessee trust has valid registration u/sec.12AB of the Act up-to assessment year 2026-2027 which is placed at pages 3 to 5 of the paper book. It is also evident that the assessee trust has got 80G approval w.e.f. 01.04.2007 as per Form No.10A [e-filing] placed at page-80 of the paper book. Further, the assessee trust has valid date of approval 02.10.2021 u/sec.80G of the Act up-to assessment year 2026-2027 which is placed at pages 18 and 19 of the paper book. The assessee trust has also placed on record at pages 13 of the paper book with respect to details of FCRA funds utilization for assessment years 2021-22 to 2023-24 contending, *inter alia*, that the funds are being utilized for the objects of the assessee trust. From careful perusal of the paper book and submissions of the assessee, we find that the assessee trust has filed its receipts and payments [Foreign Contribution] as on 31.03.2023, computation of income of assessment year 2023-24; details of FCRA funds

utilization for assessment year 2021-22 to 2023-24, acknowledgment of details submitted on 17.05.2024, registration certificate under FCRA dated 23.12.2021, audited financial statements for the assessment years 2021-22 to 2023-24 in the paper book filed before the Tribunal from pages 10 to 55 of the paper book. On perusal of these documents, we note that the assessee trust has displayed its utilization of funds from assessment years 2021-2023-24 to meet out its objects by complying with the statutory requirements under the Act. We find that the learned CIT(E) observations to the effect that the funds are idle in FDRs in banks and as such, they are not being utilized for the objects of the assessee trust is not justified. In this connection, it is relevant to note here that the Tiger is a National Animal of India. Already the number of Tigers in India is in alarming/depleting level/status. Therefore, if any trust like the assessee-trust in the instant case, come forward to protect, conserve and do research on the Tigers to increase its number, such activities of the trust shall be encouraged. We, therefore, considering the submissions of

the assessee and documents placed in the paper book referred to above, find that the assessee society is utilizing its funds to meet out its objects and the learned CIT(E), Pune in his order dated 31.07.2024 is not justified in cancelling the approval granted to the assessee trust. We, therefore, cancel the order of the learned CIT(E) and allow the grounds of the assessee.

7. In the result, appeal of the assessee trust is allowed.

Order pronounced in the open Court on 10.02.2025.

Sd/-
(KHETTRA MOHAN ROY)
ACCOUNTANT MEMBER

Sd/-
(V. DURGA RAO)
JUDICIAL MEMBER

Nagpur, Dated 10TH February, 2025

VBP/-

Copy to

1.	The appellant
2.	The respondent
3.	The CIT(E), Pune
4.	The D.R. ITAT, Nagpur Bench, Nagpur
5.	Guard File.

//By Order//

//True Copy//

Sr. Private Secretary : ITAT : Nagpur Bench
NAGPUR.