

**आयकर अपीलीय अधिकरण, रायपुर न्यायपीठ, रायपुर**

**IN THE INCOME TAX APPELLATE TRIBUNAL RAIPUR BENCH, RAIPUR**

श्री रविश सूद, न्यायिक सदस्य एवं श्री अरुण खोड़पिया, लेखा सदस्य के समक्ष ।

BEFORE SHRI PARTHA SARATHI CHAUDHURY, JM & SHRI ARUN KHODPIA, AM

**आयकर अपील सं. / ITA Nos: 74 & 75/RPR/2025**

(निर्धारण वर्ष Assessment Year: NA)

Sewaa Path Sanstha, Dr. Lakwani Bhawan, Street No. 2, Near Bhatia Bakery, Katora Talab, Raipur- 492001, C.G.	V s	Commissioner of Income Tax (Exemption)- Bhopal, Room No. 201, 2 <sup>nd</sup> Floor, ReAC, Aaykar Bhawan, Bhopal-462016, (M.P.)
<b>PAN: ACBAS8265P</b>		
(अपीलार्थी/Appellant)	.	(प्रत्यर्थी / Respondent)
निर्धारिती की ओर से /Assessee by	:	Shri Deepak Menghani, CA
राजस्व की ओर से /Revenue by	:	Shri Prakhar Viplava Gupta, CIT-DR
सुनवाई की तारीख / Date of Hearing	:	13.03.2025
घोषणा की तारीख/Date of Pronouncement	:	19.03.2025

**आदेश / ORDER**

**Per Arun Khodpia, AM:**

The captioned appeals are filed by the assessee against the orders passed by Commissioner of Income Tax (Exemption), Bhopal dated 21.12.2024, rejecting the applications of assessee filed in Form 10AB for grant of registration u/s 12AB and u/s 80G(5) of the Act.

2. Being the aforesaid appeals pertains to same assessee having interconnected and common issues involved therein, both the appeals are heard together and decided under this common order. ITA No. 74/RPR/2025 consisting of the issue regarding rejection of application for granting of

registration u/s 12AB has been taken up as the lead case and our observations and decision therein shall apply *mutatis mutandis* to the other appeal in ITA No. 75/RPR/2025 having similar grounds.

3. The Grounds of appeal raised by the assessee in ITA No. 74/RPR/2025 are culled out as under:

1. *Ld. Commissioner of Income Tax(Exemption) is not justified in rejecting application filed by appellant for registration u/s 12AB and in cancelling the provisional registration without appreciating the facts of the case properly. The rejection order passed by CIT(Exemption) is arbitrary, illegal and not justified . The appellant is entitled for registration.*
2. *The appellant reserves the right to amend, modify or add any of the ground/s of appeal.*

4. The assessee society is aggrieved due to cancellation of provisional registration u/s.12AB of the Act and resulting exemption u/s.80G of the Act as well as non-granting of regular/final registration on the same provisions of the Act. In this regard, the observation of the Ld. CIT(E) is culled out as under:

*A query letter dated 17/10/2024 has been issued to the assessee regarding to furnish all the information/documents on before 04/11/2024.*

*In response to the above notices the assessee society submitted his reply along with documents. During the examination of the information /documents submitted by the assessee society it is observed that no specific expenditure is*

*debited in the P&L account regarding charitable activities as per object of the society during the F.Y. 2021-22 /2022-23/2023-24. The assessee society fails to substantiate his claim with sufficient documentary evidences. Also no documentary evidences were furnish by the assessee society regarding charitable activities carried out during the said periods. Merely one or two enclosed photographs of "Kaniyadan" & "Ladies Sangeet" cannot endorse the genuineness of the charitable activities of the assessee society. The "Kaniyadan" & "Ladies Sangeet" organized by the assessee society does not found to be social welfare activities. Thus, it is found that the assessee fails to furnish point wise complete information as per original a query letter date 17/10/2024.*

*In view of above, due to non-compliance of requisite questionnaire dated 17/10/2024 by the assessee society, the application of the assessee in Form 10AB for grant of registration u/s 12AB & 80G(5) of I.T. Act is hereby rejected and provisional registration are also hereby cancelled.*

**5.** That as is evident from the order of the Ld. CIT(E), the requisite details and evidence as per Section 12AB of the Act was not filed by the assessee before the Ld. CIT(E), because of which, he denied the regular registration to the assessee society.

**6.** The Ld. Counsel for the assessee society submitted that they had submitted all the documents and evidence as per questionnaire. However, neither any discrepancies brought out by the Ld. CIT(E) nor any show cause

to clarify the discrepancies if any have been issued by the sanctioning authority.

7. We have heard the submissions of both the parties and perused the documents on record and facts and circumstances of the case. We find that as per the records and the order of the Ld. CIT(E), the relevant documents justifying the objects and genuineness of the activities which are required to be complied with as per Section 12AB of the Act, had been duly complied with by the assessee society. We are of the view that the purpose of the provisions for registration of trust u/s. 12A/12AB and granting of recognition u/s. 80G of the Act, derives their spirit from Directive Principles of State Policy enshrined in the Constitution of India. The Govt. of India makes every endeavour to provide welfare to one and all in the society at large, and in view thereof the registration for public charitable trusts/societies are given in order to ensure that through these charitable trusts benefits flows to entire society, so that the Directive Principles of State Policy are achieved. These provisions of registration u/s. 12A/12AB and granting of recognition u/s.80G of the Act enhance socio-economic welfare of the society. The provisions for registration u/s. 12AB of the Act and granting of recognition u/s 80G of the Act are in consonance with the objectives of the Government that once registration is given to public charitable trusts/societies, they would be able to perform charitable activities within the target area and to raise grants for

using the same in those charitable activities, and in fact, they would also be able to extend claim of exemption u/s. 80G of the Act to the doners in respect of those grants received. In entirety, these provisions enable the public charitable trust to do the charitable activities and enhance the objectives of the Government of India corresponding with the Directive Principles of State Policy enshrined in the Constitution of India.

**8.** Considering the entire parameters, we are of the view that if one final opportunity is provided to the assessee society to submit all the evidence/documents before the Ld. CIT(E), there could be no jeopardy caused to either of the parties. The Ld. CIT(E) ought to have come out with a speaking order after deliberating upon all the documents/evidence that would have been furnished by the assessee society before him to his satisfaction with regard to the objects and genuineness of the activities of the applicant/trust/society. In the present set of affairs, it is incumbent upon the Ld. CIT(E) as quasi-judicial authority to look into all the evidence furnished before coming to a conclusion with a speaking order.

**9.** In view thereof, the order of the Ld. CIT(E) is set-aside, and the matter is remanded to his file in terms of our aforesaid observations. As per the aforesaid terms the grounds of appeal raised by the assessee society stands allowed for statistical purposes. Needless to say, reasonable

opportunity of being heard shall be provided to the assessee in the set aside proceedings.

**10.** In the result, appeal of the assessee society in ITA No.74/RPR/2025 is **allowed for statistical purposes.**

**ITA No.75/RPR/2025**

Grounds of appeal:

1. *Ld. Commissioner of Income Tax(Exemption) is not justified in rejecting application filed by appellant for registration u/s 80G(5) and in cancelling the provisional registration without appreciating the facts of the case properly. The rejection order passed by CIT(Exemption) is arbitrary, illegal and not justified. The appellant is entitled for registration.*
2. *The appellant reserves the right to amend, modify or add any of the ground/s of appeal.*

**11.** As the appeal filed by the assessee society as regards the cancellation of provisional registration u/s.12AB of the Act and rejection of grant of registration u/s 12AB has been remanded to the file of the Ld. CIT(E), therefore, appeal pertaining to corresponding exemption u/s.80G of the Act is also remanded to his file with similar directions as were recorded by us in ITA No.74/RPR/2025.

**12.** In the result, appeal of the assessee society in **ITA No.75/RPR/2025** is allowed for statistical purposes.

**13.** In the combined result, both the appeals of the assessee society are allowed for statistical purposes.

Order pronounced in the open court on 19/03/2025.

**Sd/-**  
**(PARTHA SARATHI CHAUDHURY)**  
न्यायिक सदस्य / JUDICIAL MEMBER  
रायपुर/Raipur; दिनांक Dated 19/03/2025  
\*\*\*\*SB

**Sd/-**  
**(ARUN KHODPIA)**  
लेखा सदस्य / ACCOUNTANT MEMBER

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

1. अपीलार्थी / The Appellant- Sewaa Path Sanstha, Raipur
2. प्रत्यर्थी / The Respondent- CIT(E), Bhopal
3. The Pr. CIT, Raipur (C.G.)
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, रायपुर/ DR, ITAT, Raipur
5. गार्ड फाईल / Guard file.

**// सत्यापित प्रति True copy //**

**आदेशानुसार/ BY ORDER,**

**(Senior Private Secretary)**  
आयकर अपीलीय अधिकरण, रायपुर/ITAT, Raipur