

आयकर अपीलीय अधिकरण, इंदौर न्यायपीठ, इंदौर
IN THE INCOME TAX APPELLATE TRIBUNAL
INDORE BENCH, INDORE
BEFORE SHRI BHAGIRATH MAL BIYANI, ACCOUNTANT
MEMBER
AND
SHRI PARESH M JOSHI, JUDICIAL MEMBER MEMBER

ITA No. 561/Ind/2024
Assessment Year: 2024-25

Mahavir Yuva Sarva Shiksha Samajik Samiti, 6 Bada Tele Wada, Ujjain (Assessee/Appellant)	<u>बनाम/</u> Vs.	CIT (Exemption), Bhopal (Revenue/Respondent)
PAN: AADTM2702N		
Assessee by	Ms. Sonam Khandelwal, AR	
Revenue by	Shri Ram Kumar Yadav, CIT-DR	
Date of Hearing	17.03.2025	
Date of Pronouncement	20.03.2025	

आदेश / ORDER

Per Paresh M Joshi, J.M.:

This is an appeal filed by the assessee Under Section 253 of the Income Tax Act, 1961 (hereinafter referred to as the 'Act' for sake of convenience, ease and brevity) before this Tribunal. The assessee is aggrieved by the order bearing Number ITBA/EXM/F/EXM45/2024-25/1066659678(1) dated 12.07.2024 of the Ld. CIT(Exemption), Bhopal, M.P. which is hereinafter referred to as the "impugned order".

2.

FACTUAL MATRIX

2.1 That the assessee is a society registered under the Societies Act, 1860.

2.2 That the assessee society was granted the provisional registration under the Act by CPC vide URN No. AADTM2702NE20213.

2.3 That the assessee society filed Form 10AB for registration u/s 12AB of the Act.

2.4 That by an order dated 24.09.2021 the assessee society was granted provisional registration bearing No. AADTM2702NE 20213 dated 24.09.2021 for Assessment Year 2022-23 to Assessment Year 2024-25. The said order is at page 36 to 38 of the paper book which is placed on record of this Tribunal. The said order for provisional registration was subject to certain terms and conditions which are specified in order granting provisional registration dated 24.09.2021.

2.5 When the assessee society applied for the permanent registration u/s 12AB under the Act by filing Form 10AB certain requisitions were made by Ld. CIT (E).

2.6 That assessee society had submitted all the documents which they thought prudent before Ld. CIT (E) for permanent registration.

2.7 That the assessee society is engaged in the charitable activities i.e.

1. Plantation of trees.
2. Free Medical Treatment
3. Blood donation camp
4. Plastic Bags Mukat
5. Generating employment for women, distributing stitching machine to woman.
6. Maintenance of water hut
7. Provide walkers, wheel chairs for handicapped.

2.8 That Ld. CIT(E) by way of a notice bearing Number ITBA/EXM/F/EXM43/2024-25/1064925819(1)dated 16.05.2024 while proceeding u/s 12A(1)(ac)(iii) with reference to their application in form 10AB requisitioned certain documents the

details of which are provided in the said notice. The copy of the said notice is at page 5 & 6 of the PB placed on record of this Tribunal. In particular at Sl.No.7 Ld. CIT(E) sought from the assessee society "details of donation/grants received during last three years with following details:- Name of Donor, address, PAN, Mobile Number, date of donation, whether CSR donation, corpus/Non corpus, whether Form 10BE issued".

2.9 That the assessee society in response to the aforesaid notice filed a reply page 7 to 8 of PB wherein all the requisition made by Ld. CIT(E) were complied with as far as possible.

2.10 The Ld. CIT(E) however by the "**impugned order**" on the grounds specified in the "**impugned order**" however has rejected the application of the assessee filed in Form 10AB for grant of registration u/s 12AB of the Act. The provisional registration u/s 12AB in Form 10AC vide URN No. AADTM2702NE20213 dated 24.09.2021 earlier granted by CPC was also cancelled.

2.11 That the assessee being aggrieved by the "**impugned order**" has filed the present appeal before this Tribunal and interalia has

raised following grounds of appeal in Form No.36 against the impugned order which are as follows:-

"1. The application for permanent registration u/s 12AB in Form 10AB which is denied by Hon'ble CIT(E) and order for rejection of order u/s 12AB has been issued which is not justified."

3. **Record of Hearing**

3.1 The hearing in the matter took place before this Tribunal on 17.03.2025, when the Ld. AR for and on the behalf of the assessee appeared and interalia contended that "**Impugned Order**" of Ld. CIT(E) is illegal, bad in law and not proper and that the same should be set aside by this tribunal in exercise of its appellate jurisdiction conferred upon them under the Act. The Ld. CIT(E) in the "**impugned order**" has recorded that a requisition was made to the assessee society to provide details of donation received and paid during the last 3 financial years with complete details, however the assessee in reply while enclosing the list of donors have not furnished donor's PAN details and so also their address. Under these circumstances the Ld. CIT(E) has held that genuineness of donations could not be verified and on this ground alone their application for registration u/s 12AB was rejected and so also provisional registration earlier granted in

Form 10AC. The Ld. AR during the course of the argument invited our attention to page 25 to 30 which is **donation list 200-21** of the assessee society containing names of 253 persons who had donated various amount to the assessee society. It was brought to our notice that small amounts came to be donated by these persons Rs. 1100/- to Rs.2000/- and aggregate amount comes to Rs.3,85,000/- from total 253 persons. It was contended that these amounts from 253 persons are meager amount and to insist for PAN number of these persons and address would indeed cause grave hardship to them, due to very nature of meager amounts involved in donation. Correspondingly the Ld. AR invited our attention to Auditor Report as on 31.03.2021 page 39 to 42 of PB and demonstrated that aggregate amount of Rs.3,85,000/- is clearly stated under income column as having been received as and by way of donation. Similar exercise was done by Ld. AR for donation list for the year 2021-22 wherein the amount of Rs.1,49,221/- was received from total 96 persons (page 31 to 33 of PB) with Auditor Report at page 43 to 49 for the year ended 31.03.2022 wherein too the amount of Rs.1,49,221/- is reflected as and by way of donation under

income column. Correspondingly in Audit Report for the year ended 31.03.2022 the amount of Rs.1,49,221/- is reflected (page 43 to 45 of PB). The Ld. AR for the financial year 2022-23 invited our attention to the donation list (page 34 to 35 of PB) wherein there are total 58 person who in aggregate have paid Rs.87,571/- and that the same are reflected in audit report for the year ended on 31.03.2023 (page 46 to 48 of PB). The sheet anchor of Ld. AR argument was that small amounts are received by assessee society ranging from Rs.1100/- to Rs,2000/- and non furnishing of PAN details and address of such donor's should not lead to non registration U/s 12AB as amount donated by person is too meager. The Ld. AR then contended that object and genuineness of the trust/society is required to be seen in law and perse Ld. CIT(E) has not recorded anything adverse against the assessee/society in the impugned order. In fact object genuineness is not questioned at all in the proceedings. Per contra Ld. DR interalia has contended that in so far as object and genuineness of assessee society is concerned while it is true that there are no findings in the "**impugned order**" however this aspect can be seen afresh by Ld. CIT(E) in event this Tribunal set

aside the impugned order and on remand of proceeding Ld. CIT (E) can examine said issue. In the rejoinder argument Ld. AR stated that assessee society has all "**Receipts**" of donation and that same can be shown to Ld. CIT (E). The Ld. CIT(E) however should not insist for PAN details and address of donor's as amount paid by each of the donor is very small but for a good cause.

4. **Observations, findings & conclusions.**

4.1 We now have to decide the legality, validity and propriety of the "Impugned Order" basis records of the case and contentions canvassed before us.

4.2 We have carefully perused records of the case. We are of the considered view after examining the rival contentions that it would be just, fair and convenient and so also in the interest of ends of justice that the impugned order be set aside and matter be remanded back to the file of CIT(E) to examine the whole issue afresh and then to pass a fresh order by taking overall facts and circumstances of the case together including the issue of object and genuineness of the activities of the assessee society.

4.3 In the premises drawn up by us, we set aside the impugned order and remand the case back to CIT(E) on *denovo* basis who shall take into consideration overall gamut of the case into consideration and then shall pass a reasoned order.

5. **Order**

5.1 In result appeal of Assessee is allowed as and by way of remand on *denovo* basis.

5.2 Appeal is allowed for statistical purpose.

Order pronounced in open court on 20.03.2025.

Sd/-

Sd/-

(BHAGIRATH MAL BIYANI)
ACCOUNTANT MEMBER

(PARESH M JOSHI)
JUDICIAL MEMBER

Indore

दिनांक /Dated : 20/03/2025

Dev/Sr. PS

Copies to: (1) The appellant
(2) The respondent
(3) CIT
(4) CIT(A)
(5) Departmental Representative
(6) Guard File

By order

Senior Private Secretary
Income Tax Appellate Tribunal
Indore Bench, Indore