

आयकर अपीलीय अधिकरण, जयपुर न्यायपीठ, जयपुर
IN THE INCOME TAX APPELLATE TRIBUNAL, JAIPUR BENCHES,"B-Bench" JAIPUR

श्री गगन गोयल, लेखा सदस्य एवं श्री नरेन्द्र कुमार, न्यायिक सदस्य के समक्ष
BEFORE: SHRI GAGAN GOYAL, AM & SHRI NARINDER KUMAR, JM

आयकर अपील सं./ITA No. 151 & 152/JPR/2025

Shree Digamber Jain Parasnath Teerth Ekshetra Comm Post Bijoliyan, Bijoliyan, Bhilwara.	बनाम Vs.	The CIT Exemption, Jaipur.
स्थायीलेखा सं./जीआईआर सं./PAN/GIR No.: AABTS1578C		
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

निर्धारिती की ओरसे / Assessee by : Shri Sunil Porwal, C.A. (Thr. V.C.)
राजस्व की ओरसे / Revenue by: Mrs. Alka Gautam, CIT-DR (Thr. V.C.)

सुनवाई की तारीख / Date of Hearing : 07/04/2025
उदघोषणा की तारीख / Date of Pronouncement: : 07/04/2025

आदेश / ORDER

PER: NARINDER KUMAR, JUDICIAL MEMBER .

This common order is to dispose of the above captioned 2 appeals as these are interconnected and arise out of the same facts.

2. Learned CIT(E) passed two orders each dated 25.12.2024, vide one order application u/s 12AB of the Income Tax Act, 1961 (hereinafter referred to as the "Act"), came to be rejected on the following three grounds:-

- **Non-Registration under Rajasthan Public Trust Act, 1959.**
- **Utilising income & assets of the trust not as per objects.**
- **Non-Genuineness of activities.**

3. Vide separate order, another application filed u/s 80G of the Act came to be rejected on the followings three grounds:-

- **Approval u/s 80G cannot be granted without registration u/s 12AB.**
- **Meant expressed for benefit of jain religious community violating section 80G(5)(iii).**
- **Religious Trust are not eligible u/s 80G(5)(B)/violation of section 80G(5B).**

4. Arguments heard. File perused.

ITA No. 152/JPR/2025 -As regards application u/s 12AB of the Act-

Non registration of the applicant under RPT Act, 1959

5. As noticed above, this is one of the grounds of rejection of the application.

6. As regards this ground, Ld. AR for the appellant admits that at the time of application u/s 12AB of the Act was filed, the appellant trust was not registered under RPT Act, 1959.

7. In this regard, it may be mentioned here that Co-ordinate Bench ITAT, Jaipur has held in **APJ Abdul Kalam Education and Welfare Trust vs. CIT(E)** decided on 15.01.2025 that for the purposes of registration of such institutions, u/s 12AB of the Act, registration under RPT Act, 1959 is not one of the essential requirements.

Other 2 grounds of rejection-

Utilising income & assets of the trust not as per objects & Non-Genuineness of activities.

8. While rejecting application u/s 12AB of the Act on the above said two grounds, Learned CIT(E) has observed at page 9 of the impugned order that vide notice dated 01.12.2024 appellant-trust was asked to furnish following details:-

“In the balance sheet as on 31.03.2022 to 31.03.2024, you have shown huge amount as loan & advances. Please give:-

- a. Ledger a/c of each party.
- b. Purpose of each such amount paid to these persons.
- c. What object of trust is served by giving these amounts.

- d. Why it should not be considered that income/properties of trust are being used for objects other than objects of trust and why the application should not be rejected.
- e. Why this should not be seen as violating of section 11(5) and specified violation of clause (a) below explanation 12AB(4).”

As observed by Learned CIT(E), the applicant trust did not furnish any reply to the above said notice, and further that the applicant trust failed to prove that loans/advances were for the benefit of applicant trust or as per its objects.

9. As regards genuineness of activities, Learned CIT(E) observed that in reply to the notice dated 13.07.2024, the applicant trust did not furnish several details/documents as pointed out at page 10 to 13 of the impugned

10. Learned CIT(E) specified at page 13 that following details were not furnished by the applicant trust:-

- “1. Not furnished details of expenses/ activities like, bill/ voucher, payment details. Therefore, in absence of bills/vouchers of expenses the genuineness of activities is not proved.
2. Neither furnished bank statement nor furnish details for transaction more than Rs. 20,000/- in order to verify the nature of debit and credit entries. Thus, the nature of entries in bank account is unverified and activities do not seem genuine.
3. Not furnished any details of salary payment as asked. Thus, these payments are nothing but siphoning off the income of the trust to the other persons.
4. Not furnish details of repair & maintenance like, bill/ voucher, payment details, to whom paid. In absence of such details, it could not be verified that repair & maintenance pertains to the applicant trust.
5. Not prove that activities conducted are not restricted to Jain Samaj/community.
6. Not furnished details of payment made to 13(3) persons.
7. Not furnished details of land, construction, bill/ vouchers etc. as asked.
8. Not furnish details/ receipts of huge corpus funds.
9. Non-compliance to the show cause proves that the applicant has no proof regarding genuineness of activities.”

11. Ld. AR for the applicant has submitted that applicant trust could not furnish requisite information because of inadequate time, and that the matter may be remanded to Learned CIT(E) for decision of the application afresh after providing reasonable opportunity to the applicant of being heard.

12. Record reveals that Learned CIT(E), after receipt of the application dated 26.06.2024, issued three notices i.e. dated 12.07.2024, 16.09.2024 and 01.12.2024.

However, taking into consideration the serious issues involved, the matter needs to be restored to Learned CIT(E) for decision afresh, so as to provide the applicant trust another opportunity to furnish requisite information/details/documents which its representative did not furnish earlier.

Result

13. As a result, this appeal in ITA No. 152/JPR/2025 is disposed of for statistical purposes and the application u/s 12AB of the Act is restored to the files of Learned CIT(E) for decision afresh after affording another opportunity to the applicant of being heard.

Having regard to the number of opportunities already granted, and also keeping in view non compliance on the part of the applicant before

Learned CIT(E), applicant is burdened with costs of Rs. 1000/-. Costs to be deposited by the applicant with “Prime Minister’s National Relief Fund” and receipt to be submitted before Learned CIT(E) before commencement of the proceedings on remand.

ITA No. 151/JPR/2025- As regards rejection of application under section 80G of the Act.

14. As noticed above, application u/s 80G of the Act came to be rejected on the ground that the application u/s 12AB of the Act stood rejected vide separate order passed by Learned CIT(E) for the reasons recorded therein.

As noticed above, the application u/s 12AB of the Act has been restored to the files by Learned CIT(E) for decision afresh after affording reasonable opportunity to the applicant trust of being heard.

Consequently, this appeal is also disposed of for statistical purpose, and application u/s 80G of the Act is also restored to the files of Learned CIT(E) for decision afresh after providing reasonable opportunity of being heard to the applicant trust.

15. Appellant to participate in the proceedings before Learned CIT(E) and comply with each and every direction issued by Learned CIT(E) from time to time for effective adjudication of the issues involved.

16. A copy of this common order be placed on the record of the connected appeal file.

Files be consigned to the record room after the needful is done by the office.

Order pronounced in the open court on 07/04/2025.

Sd/-

(गगन गोयल)
(GAGAN GOYAL)
लेखा सदस्य / Accountant Member
जयपुर / Jaipur
दिनांक / Dated:- 07/04/2025

Sd/-

(नरेन्द्र कुमार)
(NARINDER KUMAR)
न्यायिक सदस्य / Judicial Member

*Santosh

आदेश की प्रतिलिपि अग्रेषित / Copy of the order forwarded to:

1. The Appellant- Shree Digamber Jain Parasnath Teerth Ekshetra Comm., Bhilwara.
2. प्रत्यर्थी / The Respondent- CIT(E), Jaipur.
3. आयकर आयुक्त / The Id CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, जयपुर / DR, ITAT, Jaipur
5. गार्डफाईल / Guard File ITA No. 151 & 152/JPR/2025)

आदेशानुसार / By order,

सहायक पंजीकार / Asstt. Registrar