

IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCH "A", PUNE

BEFORE SHRI MANISH BORAD, ACCOUNTANT MEMBER
AND
SHRI VINAY BHAMORE, JUDICIAL MEMBER

आयकर अपील सं. / ITA No.1236/PUN/2024
निर्धारण वर्ष / Assessment Year : 2024-25

Amit Kamble Foundation, P. No.169, Raghvendra Nagar, Hotgi Road, Majrewadi, Solapur- 413003. PAN : AAGTA6486N	Vs.	CIT, Exemption, Pune.
Appellant		Respondent

Assessee by : Shri Kishor B. Phadke
Revenue by : Shri Amol Khairnar

Date of hearing : 30.01.2025
Date of pronouncement : 25.04.2025

आदेश / ORDER

PER VINAY BHAMORE, JM:

This appeal filed by the assessee is directed against the order dated 08.05.2024 passed by Ld. CIT, Exemption, Pune rejecting the application for registration u/s 12AB of the IT Act.

2. Facts of the case, in brief, are, that the assessee is a trust filed its application for registration in Form No.10AB under clause (iii) of section 12A(1)(ac) of the IT Act on 03.11.2023. With a view to verify the genuineness of activities of the assessee and compliance

to requirements of any other law for the time being in force by the trust/institution as are material for the purpose of achieving its objects, a notice was issued by Ld, CIT, Exemption, Pune through ITBA portal on 17.01.2024 requesting the assessee to upload certain information/clarification. In reply to the said notice, the desired information was furnished by the assessee. On verification of the information furnished by the assessee, Ld. CIT, Exemption, Pune found certain discrepancies, therefore, issued another notice on 26.04.2024 and asked the assessee to furnish following details:-

“(i) The object No.- 4 (o,u,v) of the trust deed / MoA are found to be for the benefit of a particular religious community viz. Christian Community and not for public at large.

(ii) In respect of activity, furnish dates and places of each activities carried out by you, details of beneficiaries, how they were identified. Also it is seen that your activities are for the benefit of a particular religious community viz. Christian Community and not for public at large.

(iii) In respect of donation received, furnish the details viz. name of donors, PAN/ address of donors, amount of donation, mode of donation, receipt no. etc. Also furnish the copies of receipt issued to the donors by your trust.

(iv) As you have mentioned ration distribution in your activity note for FY 2020-21 and 2021-22, the same is not reflected in the financial statements of respective years, kindly explain. Also in FY 2021-22 and 2022-23, administration / establishments expenses are also included under the expenses on object of the trust. Further, explain to whom are you paying honorarium and purpose of it.

(v) Furnish copies of bills/invoices of all expenses done on activities by your trust.”

3. The assessee furnished reply on 02.05.2024 and after considering above reply Ld. CIT, Exemption, Pune rejected the application filed by the assessee.

4. It is this order against which the assessee is in appeal before this Tribunal.

5. Ld. AR appearing from the side of the assessee submitted before us that the order passed by Ld. CIT, Exemption, Pune is unjustified. Ld. AR further submitted before the Bench that all the requisite details were furnished before Ld. CIT, Exemption, Pune but the application for permanent registration filed in Form 10AB under clause (iii) of section 12A(1)(ac) of the IT Act was rejected by Ld. CIT, Exemption, Pune and the provisional registration granted on 01.10.2021 u/s 12AB r.w.s. 12A(1)(ac)(vi) of the IT Act was also cancelled. Ld. AR also furnished a paper book wherein various documents such as trust deed, registration certificate issued by Charity Commissioner, Pune, audited financial statements for financial year 2021-22 to financial year 2023-24 and acknowledgement of income tax return for above years was produced before the Bench. Apart from above details copy of written submission furnished before Ld. CIT, Exemption, Pune was

also furnished. Accordingly, it was requested before the Bench to grant permanent registration u/s 12AB of the IT Act.

6. Ld. DR appearing from the side of the Revenue relied on the order passed by Ld. CIT, Exemption, Pune and requested to confirm the same.

7. We have heard Ld. Counsels from both side and perused the material available on record including the paper book furnished by the assessee. In this regard, we find that the assessee is a trust and has applied for permanent registration u/s 12AB of the IT Act. We further find that after considering the reply of the assessee trust Ld. CIT, Exemption, Pune has rejected the application filed by the assessee and also cancelled the provisional registration granted on 01.10.2021 u/s 12AB r.w.s. 12A(1)(ac)(vi) of the IT Act by observing as under :-

“5. The assessee furnished reply on 02/05/2024. It, however, has not furnished point-wise clarification to the queries so raised. The assessee has merely stated that the objectives of the trust are for the benefit of public at large and not for a particular community. However, on perusal of the objectives, it is observed that the objectives of the charitable trust reflect a commitment to the teachings of Jesus Christ as conveyed in the Holy Bible. By focusing on the propagation of these teachings, the trust aims to serve the specific spiritual needs of the Christian community. Through practices such as marriage ceremonies, funerals, and baptisms conducted according to gospel principles, the trust provides essential spiritual services related to the beliefs and practices of Christians. Further, the emphasis on ordained pastors ensures that the community receives guidance and leadership grounded

in the Christian faith. Overall, these objectives are aimed at benefitting and strengthening of the Christian community by promoting its spiritual growth and adherence to the teachings of Christ, rather than serving the people at large.

5.1 Regarding note on activities, the assessee was requested to furnish details like dates and places of each activities carried out by you, details of beneficiaries, how they were identified. In reply, the assessee has only stated thea various activities have been carried out by the trust for the benefits of people. No specifics as had been called for has been furnished by the trust.

5.2 The assessee claimed to have attached donation details including name, PAN/ Aadhar, amount etc. However, it is seen that no such details have been furnished by the assessee. It has attached only a list containing 5 names of donors, their PAN, name of town (not complete address), mode and amount. Crucial details like the FY to which said transactions relate, date of receipt of donation, receipt no. issued have not been furnished despite specific request. The assessee has shown to have received donations of Rs. 17.39 Lakhs, Rs. 4.50 Lakhs and Rs.6.25 Lakhs for the FYs 2020-21, 2021-22 and 2022-23 respectively. It has also shown receipt of Rs. 2.84 Lakhs, Rs. 6.64 Lakhs and Rs.4.09 Lakhs by way of offerings for the FYs 2020-21, 2021-22 and 2022-23 respectively. In form 10AB, the assessee has mentioned as a charitable trust. It was, therefore, required to furnish all details in respect of the above donations. The assessee, however, has furnished details of only few receipts as discussed above which also does not contain all the requisite information. Therefore, the source and genuineness of these transactions has remained unproved.

5.3 On the issue of ration distribution, the assessee has contended that the same was collected from people and was distributed among needy people. However, no supporting evidence has been furnished by the assessee to prove its contention. Even in that case, the assessee was required to estimate the value of food grain collected and disclose it in the financial statements. The assessee has attached few bills/ invoices. However, the activities in connection with which said expenses are incurred, has not been explained by the assessee.

6. In view of the above, the undersigned is not satisfied about the charitable nature and the genuineness of activities of the assessee and compliance to requirements of any other law for the time being in force by the trust / institution as are material for the purpose of achieving its objects. Therefore, the application filed by the assessee is hereby rejected and the provisional registration granted on 01/10/2021 under section 12AB read with section 12A(1)(ac)(vi) of the Income Tax Act, 1961 is hereby cancelled.”

8. From a perusal of above order, we find that Ld. CIT, Exemption, Pune has passed a detailed and reasoned order wherein specific defects were pointed out by him. For example, the assessee trust was required to prepare a note on its activities wherein details like dates and places of each activity carried out by the trust, details of beneficiary and how they were identified was asked to be submitted but in the reply the assessee has only stated that various activities have been carried out by the trust for the benefit of the people and no specific details were furnished by the assessee trust. Secondly, the assessee trust was required to produce details of donors including their Name, PAN/Aadhar, amount etc. However, it was found by Ld. CIT, Exemption, Pune that no such details were furnished by the assessee instead only a list containing five names of donors their PAN, name of town (not complete address) and amount was mentioned. However, crucial details like the financial year to which said transactions relate and the date of receipt of donations, receipt number issued by the assessee trust were not furnished by the assessee trust. It was also found by Ld. CIT, Exemption, Pune that the assessee trust has received donation of Rs.17.39 lakhs, Rs.4.50 lakhs and Rs.6.25 lakhs for the financial

year 2020-21, 2021-22 and 2022-23 respectively. But full details in respect of above donations were not furnished by the assessee trust and only a few receipts as mentioned above which does not contain all the requisite details was furnished and therefore, Ld. CIT, Exemption, Pune was of the view that the source and genuineness of these transactions have remained unproved.

9. Ld. CIT, Exemption, Pune on the issue of ration distribution observed that the assessee was required to estimate the value of food grain collected and distributed and also required to disclose it in its financial statements but this was also not done by the assessee. In this regard, we find that in the ground no.6 of appeal the assessee trust himself admitted that even if the activity is undertaken by the assessee trust monetary value is not recorded in the financial statements since the valuation was difficult and whatever food grains was received the same was distributed amongst the beneficiaries. In view of all the above discrepancies/short comings, Ld. CIT, Exemption, Pune was not satisfied about the charitable nature and genuineness of the assessee trust and compliance to requirements of any other law for the time being in force by the trust as are material for the purposes of achieving its objects,

therefore, in our opinion the application was rightly rejected by Ld. CIT, Exemption, Pune and we do not see any reason to interfere in the order passed by Ld. CIT, Exemption, Pune. Accordingly, the grounds raised by the assessee are dismissed.

10. In the result, the appeal filed by the assessee is dismissed.

Order pronounced on 25th day of April, 2025.

Sd/-
(MANISH BORAD)
ACCOUNTANT MEMBER

Sd/-
(VINAY BHAMORE)
JUDICIAL MEMBER

पुणे / Pune; दिनांक / Dated : 25th April, 2025.

Sujeet

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

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The CIT, Exemption, Pune.
4. The Pr. CIT/CIT concerned.
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "A" बेंच, पुणे / DR, ITAT, "A" Bench, Pune.
6. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Senior Private Secretary
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune.