

**IN THE INCOME TAX APPELLATE TRIBUNAL PATNA BENCH PATNA  
VIRTUAL HEARING AT KOLKATA**

**BEFORE SHRI DUVVURU RL REDDY, VICE PRESIDENT  
AND SHRI SANJAY AWASTHI, ACCOUNTANT MEMBER**

**ITA No. 102/PAT/2025  
Assessment Year: 2024-25**

Hikmat Foundation 57, A. N. Path, Patliputra, S.O. Phulwari, Patna- 800013. (PAN: AABTH3752R)	Vs.	CIT (Exemption), Patna
<b>(Appellant)</b>		<b>(Respondent)</b>

**Present for:**

Appellant by : Shri Pawan Kumar, CA  
Respondent by : Shri Ashwani Kr. Singal, JCIT

Date of Hearing : 05.05.2025  
Date of Pronouncement : 21.05.2025

**ORDER**

**Per Sanjay Awasthi, Accountant Member :**

This appeal arises from the order passed in Form No. 10AD for registration or approval or rejection or cancellation dated 02.03.2024 by Ld. CIT(E), Patna.

2. In this case, there is a delay of 276 days in filing of the present appeal. For this, the assessee has filed an affidavit which deserves to be extracted as under:

**AFFIDAVIT**

I SYED GULREZ HODA S/O Late SYED AMIRUL HODA in the capacity of President of Hikmat Foundation identified by PAN ALRPH3370C at present residing at Choti Masjid, Main Road, Lauriya, West Champaran, Bihar- 845453, do hereby solemnly affirm and state on oath as under:

1. Hikmat Foundation is a public charitable trust running two schools for educating the girl child.
2. The schools run by the trust are located at two remote villages of West Champaran District, Bihar one at Raibhari Mahuawa - panchayat of Bagaha Block, West Champaran and another at Meghwal Mathia - panchayat of Ramnagar Block, West Champaran.
3. The institutions run by the Trust being located in remote village facing dearth of qualified accountant who could look after or manage legal compliances on day to day basis. For the reason stated the trust is fully dependent and reliant for legal compliances on outsourced professional and acts according to the guidance and advise received from them from time to time.
4. The trust application u/s 12(1)(ac)(iii) for regularisation of its provisional registration (unique id AABTH3752RE20221) was rejected for non-compliances of notices seeking/ production document specified in notices so that the genuineness of activity and other details could be verified.
5. The non-compliances is attributable to the fact that notices were send on email id of previously engaged tax consultant who was no more associated with the Trust, whereas the Trust had already updated the email id on the date of application for provisional registration itself. In spite of updation email relating to proceedings were sent on email-id of previous consultant. The updation of email id is already confirmed through email by Income Tax Department.
6. The trust upon knowing the fact of rejection of application for regular registration has been continuously in touch with Chartered Accountant engaged by trust for looking after the matter and to take remedial action necessitated against the rejection of application as per provision of law. The trust has also provided the documents/information as and when required to follow/initiate due remedial action.
7. The trust having complete reliance and dependence upon engaged professional for remedial action could know about non-remedial action only upon service of show cause notice dated 20-01-2025 for proposed additional due to rejection of 12A provisional registration and by that time appeal was barred by limitation by 304 days.
8. The appellant prays that in absence of any wilful neglect on its part, delay in filling the appeal may please be condoned and the appeal may be admitted and heard on merits so that the principal of natural justice could be upheld.

(Deponent)

3. Considering the reasons given in the said affidavit, we condone the delay and admit this appeal for adjudication.

4. The present appeal emanates from the order passed by Id. CIT(E) rejecting the application filed in Form No. 10AB seeking registration

under 12(1)(ac)(iii) of the Act. In this case, the Ld. CIT(E) has recorded in para 3 of the impugned order that certain details were called for by notice issued from his office and another opportunity was given for presenting the facts on 23.02.2024. It is recorded in the impugned order that the assessee did not make any compliance to this notice. Thereafter, the Ld. CIT(E) took an adverse view of the matter and held that in the absence of bank statements, sources of receipts etc. it was not possible to determine whether the assessee was working wholly and exclusively for charitable purposes or not. Thereafter, an adverse order was passed against the assessee.

5. Aggrieved with this action, the assessee has approached the ITAT and as per ground no. 3 it has been averred that the notices calling for details were never served on the assessee. Before us, the ld. AR pleaded for an opportunity to present the facts before the Ld. CIT(E) and requested that the matter may be remanded back to him.

6. The ld. DR, on the other hand, supported the impugned order.

7. We have carefully considered the submissions of Ld. AR/DR and have also perused the documents before us. We find that in the interest of justice, this matter deserves to be remanded back to the file of the Ld. CIT(E) for fresh adjudication. The assessee would do well to present the full facts before the ld. CIT(E) who would consider the details before him and pass a reasoned order as per law. In the light of this, we set aside the impugned order and remand the matter back to the file of the ld. CIT(E) for fresh adjudication.

8. In the result, the appeal of the assessee is allowed for statistical purposes.

9. Order is pronounced on 21<sup>st</sup> May, 2025.

Sd/-

(Duvvuru RL Reddy)  
Vice President

Sd/-

(Sanjay Awasthi)  
Accountant Member

***Dated: 21<sup>st</sup> May, 2025***

JD, Sr. P.S.

Copy to:

1. The Appellant: Hikmat Foundation
2. The Respondent. CIT(E), Patna
3. CIT
4. DR, ITAT, Patna Bench, Patna
5. Guard file.

True Copy

By Order

Assistant Registrar  
ITAT, Kolkata Benches, Kolkata