

**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**“A” BENCH, CHANDIGARH**

**BEFORE HON’BLE SHRI RAJ PAL YADAV, VICE PRESIDENT**  
**AND**  
**HON’BLE SHRI MANOJ KUMAR AGGARWAL, AM**

**1. आयकरअपील सं. / ITA No.1095/CHANDI/2024**

**&**

**2. आयकरअपील सं. / ITA No.1096/CHANDI/2024**

<b>M/s JJSPL Welfare Foundation</b> Plot No. 100, HPSIDC, Baddi, Solan, Himachal Pradesh-173205.	<b>बनाम/</b> <b>Vs.</b>	<b>CIT (Exemptions)</b> Room No.1, 5 <sup>th</sup> Floor, CB Building, Himalaya Marg, Sector 17 E, Chandigarh.160017.
स्थायीलेखासं./जीआइआरसं./PAN/GIR No. <b>AAFCJ-1436-K</b>		
(अपीलार्थी/ <b>Appellant</b> )	:	(प्रत्यर्थी / <b>Respondent</b> )

अपीलार्थीकीओरसे/ <b>Appellant by</b>	:	Shri Pulkit Saini (Advocate) – Ld. AR
प्रत्यर्थीकीओरसे/ <b>Respondent by</b>	:	Shri Rohit Sharma (CIT) – Ld. DR

सुनवाईकीतारीख/ <b>Date of Hearing</b>	:	12-03-2025
घोषणाकीतारीख / <b>Date of Pronouncement</b>	:	02-06-2025

**आदेश / O R D E R**

**Manoj Kumar Aggarwal (Accountant Member)**

1. Aggrieved by rejection of registration applications as filed by the assessee for registration u/s 12AB as well as u/s 80G vide impugned orders dated 19-09-2024 of Ld. CIT(Exemptions), Chandigarh [CIT(E)], the assessee is in further appeal before us. First, we take up ITA No.1095/Chandi/24 wherein the grounds raised by the assessee read as under: -

1. That the Ld. CIT ( Exemptions) erred on facts and in law in rejecting the application for registration u/s 12 A(1)(ac)(iii) r.w.s. 12 AB of the Income Tax Act, 1961.
2. That the Ld. CIT(E) has erred in law and facts in rejecting the application for registration u/s 12A r.w.s. 12 AB of the Act merely on assumptions, presumptions and appellant-apprehensions, without appreciating the factual, legal and statutory position for grant of registration.
3. That the Ld. CIT(E) has erred in law and on facts in not appreciating that the proposed activity of Yoga & Meditation is in congruence to the stated objects of promoting health care covered under 'Yoga', 'medical relief' and advancement of any other object of general public utility' as provided in Section 2(15) of the Act.
4. That the Ld. CIT(E) has erred in law and on facts in not appreciating that any charitable organization would require some premises to carry out its activities.
5. That the learned CIT(Exemptions) has failed to carry out the mandatory requirement of satisfying himself about the objects and genuineness of the activities of the appellant institution but instead going beyond the mandate by speculating about future and declining the registration on surmises and conjectures.
6. That the appellant craves leave to add, modify, amend or delete any of the grounds of appeal at the time of hearing.

2. The Ld. AR advanced arguments and stated that the assessee was in the process of carrying out its activities and it was at initial stages of operations. The Ld. CIT-DR relied on the order of Ld. CIT(E) to state that no charitable activities are shown to have been carried out by the assessee. Having heard rival submissions and upon perusal of case records, the appeals are disposed-off as under.

3. The assessee filed registration application seeking registration u/s 12AB(1)(ac)(iii) r.w.s. 12AB of the Act on 31-03-2024. The Ld. CIT(E), upon scrutiny of documents, held that the documents provided by the assessee were not sufficient to ascertain the genuineness of the activities of the trust. The assessee filed detailed reply on 22-08-2024 along with Memorandum of Association (MOA). The main objects of the assessee were multiple, the first one was to establish, maintain and grand aid to homes for the old aged, orphanage or other

establishments for the relief and help to the poor, needy and destitute people, orphans, widows and old-aged persons.

4. Upon perusal of financial statements, Ld. CIT(E) observed that the assessee procured an immoveable property in a residential project which was stated to be purchased to carry out charitable activities. Since nothing credible was submitted regarding charitable activities, the assessee was show-caused. The assessee, inter-alia, stated that the home could be used as a home stay. The project was situated on hills which was suitable to conduct activities like Yoga and Meditation. The assessee intended to create multiple treatment options under the supervision of Yoga trainer and certified dietician to enable the patients and other beneficiaries looking to move towards a healthy lifestyle, undergo complete yoga and meditation training during the duration of stay to promote healthy practices amongst the citizens. The above activity would be carried out in the premises by creating a home stay for the purpose of Yoga and meditation which shall be available to the visitors as a complete package only. The assessee was yet to receive the possession of the premises and it was in the process of identifying appropriate staff to carry out the said activities. The Ld. CIT(E) observed that yoga and meditation were not mentioned in its objects. The home stays were for the commercial exploitation of the property which is offered to tourist visiting these hills areas. The contention of the assessee creates suspicion on the intention of the assessee. Since the charitable activities as per the objects stated on MOA was still to be commenced and the assessee merely made investment in residential

property, the same lends little credibility to the charitable cause being championed by the assessee. The genuineness of the activities was under doubt. On these facts, the application was rejected. Consequently, the registration applications filed u/s 80G was also rejected. Aggrieved, by rejection of twin applications, the assessee is in further appeals before us.

5. We find that Ld. CIT(E) has made pertinent observations on the basis of financial statements of the assessee. It is true that the activities as intended by the assessee in its MOU have never been commenced since the assessee is at initial stage of commencement. However, it is not the case that the assessee's activities have been found to be non-charitable. The assessee is also not found violating any of the registration conditions which would disentitle the assessee to lay claim on the impugned registration. The assessee is holding provisional registration for AYs 2022-23 to 2024-25 and no violation of registration has been noted against the assessee. The application has been on rejected on mere apprehension that future activities would be non-charitable in nature. The Ld. CIT(E) has observed that the assessee do not have any intended objects of Yoga and medication. However, no such activity has yet been carried out by the assessee. On these facts, we deem it fit to afford another opportunity to the assessee to plead and prove its registration applications before appropriate authority. Accordingly, both the orders are set-aside and the applications are restored back to the file of Ld. CIT(E) for fresh

adjudication considering all the aspects with a direction to the assessee to substantiate its applications.

6. Both the appeals stand allowed for statistical purposes.

*Order pronounced on 02-06-2025.*

*Sd/-*  
**(RAJPAL YADAV)**  
**VICE PRESIDENT**

*Sd/-*  
**(MANOJ KUMAR AGGARWAL)**  
**लेखा सदस्य /ACCOUNTANT MEMBER**

Dated: 02-06-2025

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

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF

ASSISTANT REGISTRAR

ITAT CHANDIGARH