

**IN THE INCOME TAX APPELLATE TRIBUNAL  
AMRITSAR BENCH: AMRITSAR.**

**BEFORE SH. UDAYAN DAS GUPTA, JUDICIAL MEMBER  
AND  
SH. BRAJESH KUMAR SINGH, ACCOUNTANT MEMBER**

**I.T.A. No. 24 & 25/Asr/2025  
Assessment Year.: N/A**

Pandit Kalhan Scholarship Trust H.No. 36, Lower Laxmi Nagar, S.O. Rehari Mohalla, Jammu, Jammu, and Kashmir. [PAN: AAFTP3492K] <b>(Appellant)</b>	<b>Vs.</b>	Commissioner of Income Tax, (Exemptions), Chandigarh.  <b>(Respondent)</b>
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<b>Appellant by</b>	<b>Sh. U. K. Handoo, CA.</b>
<b>Respondent by</b>	<b>Sh. M.S. Nethrapal, CIT. DR</b>

<b>Date of Hearing</b>	<b>29.05.2025</b>
<b>Date of Pronouncement</b>	<b>30.06.2025</b>

**ORDER**

**Per: Udayan Das Gupta, J.M.:**

This appeal is filed by the assessee against the order of the Id. Commissioner of Income Tax (Exemptions), Chandigarh, dated 13.12.2024 rejecting the application for registration u/s 12A(1)(ac)(iii) of the Act 1961 due to non-compliance with the dissolution clause in the Trust Deed filed by the assessee.

**ITA 24/ASR /2025**

2. The grounds taken by the assessee in memorandum of appeal are as follows:

- “1. The order of worthy CIT (E) is bad in law and on facts of the case
2. The worthy CIT (E) has disposed of the application u/s 12AA of Income Tax Act, 1961 on the plea being deficient in factual evidences in the absence of the requisite submissions of the applicant at the scheduled hearings.
3. The department had asked for information of dissolution clause in the Trust Deed & the appellant was engaged in such process and submitted the documents to the Office of SDM for registration of revised Trust Deed. It took few days to obtain a copy of revised Trust deed from the office of SDM. Meanwhile, a notice was served on 09.12.2024 fixing the date for 12.12.2024 & this remained unreplied due to the reasons that the appellant was busy with the process of registration of revised Trust Deed. No other opportunity was granted to the appellant by the Office of worthy CIT (E) & as such the case laws cited in the rejection order do not apply to the appellant as many opportunities have not been granted except or fixing of the date on 12.12.2024. Moreover, no further opportunities were granted and in fact the portal for submission of replies was immediately closed & as such the impugned rejection order is unjustifiable. The appellant, therefore, request to set aside the rejection order.
4. The Appellant craves the right to add, alter or modify any grounds of appeal before or at the time of hearing of the appeal.”

3. Brief facts emerging from the record are that application filed by the assessee for registration u/s 12AA of the Act has been rejected by the Id. CIT(E) on account of factual deficiency.

3.1 During the course of registration proceedings, notices has been issued from the office of the Id. CIT(E), in order to verify the genuineness of the activities and the objects of the trust. However, considering the reply filed by the assessee it was seen that in the deed of trust furnished by the assessee, there is no proper clarification in the dissolution clause, which makes it difficult to ascertain as to how the assets of the assessee trust will be distributed in case, the trust is dissolved. Necessary queries were raised by various notices issued from the office of the Id. CIT(E) against which adjournment has been sought by the assessee but no proper reply has been filed and in absence of any proper representation from the assessee the application for registration has been rejected.

3.2 Before the Tribunal the Id. AR of the assessee submitted that the deed of trust has been revised with necessary amendments, and the issue regarding dissolution of trust has been duly addressed and a copy of the said revised or amended deed of trust has been submitted before us in *(pages 11 to 16 of the paper book)*.

3.3 The Id. AR further submitted that the notice issued calling for necessary particulars has been served on the assessee on 09.12.2024 fixing the case on 12<sup>th</sup> December 2024 which means within 3 (*three days*) and thereafter no further opportunities has been allowed to the assessee to file the necessary particulars and the e-filed portal for submission of replies were immediately closed and the assessee was prevented by sufficient cause from uploading his reply in response to such notice.

3.4 As such, he prays before the tribunal that an opportunity of hearing may please be allowed to the trust for submission of all papers and necessary documents for the purpose of proper adjudication in the mater and for considering the same along with the amended trust deed.

4. The Id. DR has no objection, if the matter is remanded back to the file of the Id. CIT(E) for fresh adjudication after compliance with necessary deficiency.

5. We have heard the rival submissions and considered the materials on record and we find that the trust deed has been amended and copy of the same filed before us which needs to be considered by the Id. CIT(E) and also considering the fact that proper and reasonable opportunity has not been allowed to the assessee for submission of all papers and documents, we consider it fit and proper to remand the

matter back to the file of the Id. CIT(E) for fresh consideration of the application for registration.

5.1 We also direct the assessee to file all necessary particulars and documents as per queries raised by the Id. CIT(E) within a period of 30 days (thirty days) from the date of the receipt of this order along with amended copies of trust deed and to fully cooperate in the registration proceedings. The Id. CIT(E) shall allow proper and reasonable opportunity of being heard to the assessee and shall proceed with the application for registration afresh as per provisions of law. We have not express any opinion on merits and all legal issue are left open. The appeal of the assessee is allowed for statistical purposes.

ITA No. 25/ASR/2025

6. This appeal is filed by the assessee against rejection of approval. The application for approval u/s 80G of the Act 1961 has been e-filed by the assessee on 28.06.2024 in Form 10 AB, which has been rejected on the ground that the application of registration u/s 12A (1)(ac)(iii) has been rejected.

7. We have already remanded the matter back to the Id. CIT(E) in *ITA 24/Asr/2025* and we also remand this matter back to the file of the Id. CIT(E) for adjudication afresh. Our observation in the above appeal shall apply *mutatis mutandis* to this appeal also, and we remand this appeal for fresh consideration in

Coordination with the application for registration u/s 12AB, and for disposal of the same accordingly. This appeal is also allowed for statistical purposes.

8. In the result, both the appeals of the assessee bearing **ITA Nos. 24 & 25/Asr/2025** are allowed for statistical purposes.

**Order pronounced on 30.06.2025 at Amritsar, Punjab in accordance with Rule 34(4) of the Income tax (Appellate Tribunal) Rules, 1963.**

Sd/-

**(BRAJESH KUMAR SINGH)**  
**Accountant Member**

Sd/-

**(UDAYAN DAS GUPTA)**  
**Judicial Member**

Copy of the order forwarded to:

- (1) The Appellant
- (2) The Respondent
- (3) The CIT
- (4) The DR, I.T.A.T.

True Copy  
By Order

