

आयकर अपीलीय अधिकरण, विशाखापटणम पीठ, विशाखापटणम

**IN THE INCOME TAX APPELLATE TRIBUNAL
VISA KHAPATNAM "DIVISION" BENCH, VISA KHAPATNAM**

(HYBRID HEARING)

**श्री रवीश सूद, न्यायिक सदस्य एवं श्री एस बालाकृष्णन, लेखा सदस्य के समक्ष
BEFORE SHRI RAVISH SOOD, HON'BLE JUDICIAL MEMBER**

&

SHRI S BALAKRISHNAN, HON'BLE ACCOUNTANT MEMBER

आयकर अपीलसं./I.T.A.No.109/VIZ/2025

Naga Sambasiva Charitable Service Trust #3-18, Unguturu West Godavari District – 534411 Andhra Pradesh [PAN: AAETN2042D]	v.	Income Tax Officer (Exemption Ward) Income Tax Office, Aayakar Bhavan Kambala Cheruvu, Veerabhadrapuram Rajahmundry – 533105 Andhra Pradesh
(अपीलार्थी/ Appellant)		(प्रत्यर्थी/ Respondent)

करदाता का प्रतिनिधित्व/ Assessee Represented by	:	Shri GVN Hari, Advocate
राजस्व का प्रतिनिधित्व/ Department Represented by	:	Dr. Satyasai Rath, CIT(DR)
सुनवाई समाप्त होने की तिथि/ Date of Conclusion of Hearing	:	24.06.2025
घोषणा की तारीख / Date of Pronouncement	:	27.06.2025

आदेश /ORDER

PER SHRI S BALAKRISHNAN, ACCOUNTANT MEMBER:

1. This appeal is filed by the assessee against rejection order of Learned Commissioner of Income Tax (Exemption), Hyderabad [hereinafter in short "Ld.CIT(E)"] vide DIN & Notice No. ITBA/EXM/F/EXM45/2024-

25/1070993890(1) dated 07.12.2024 seeking registration under section 12AB of the Income Tax Act, 1961 (in short 'Act').

2. Briefly stated facts of the case are that the assessee has filed an e-application in Form No.10AB seeking registration under section 12AB of the Act. The Ld.CIT(E) issued notices to the assessee in respect of proceedings under section 12A(1)(ac)(vi) of the Act to produce the copy of Memorandum of Association/Trust Deed for verification and to furnish a detailed reply on the specific information called for in the said notice. In response, assessee has submitted some of the details as called for. Subsequently, another notice dated 28.10.2024 was issued to the assessee to submit the full information as per the notices issued. In response, assessee furnished its reply in compliance to the notice issued by the Ld.CIT(E). On a perusal of the submissions of the assessee, Ld.CIT(E) rejected the application filed in Form-10AB for registration under section 12AB of the Act.

3. Aggrieved by the rejection order, assessee filed an appeal before us and raised following grounds in its appeal: -.

“1. The order of the learned Commissioner of Income Tax (Exemption), Hyderabad is contrary to the facts and also the law applicable to the facts of the case.

2. The learned Commissioner of Income Tax (Exemption), Hyderabad is not justified in rejecting the application filed by the appellant for registration u/s 12AB of the Act.

3. Any other ground that may be urged at the time of appeal hearing.”

4. The only issue contested by the assessee is with respect to rejection of the Registration under section 12AB of the Act by the Ld.CIT(E).

5. At the outset, Ld. Authorized Representative (hereinafter in short “Ld.AR”) submitted that Ld. CIT(E) has not passed a speaking order for the denial of registration to the assessee. He further submitted that various documentary evidences have been provided before Ld. CIT(E) but he has casually observed the no substantial activities which are charitable in nature are being carried out by the assessee. He therefore pleaded that one more opportunity may be provided to the assessee to submit its reply with documentary evidences once again to the Ld.CIT(E).

6. On the other hand, Ld. Departmental Representative [hereinafter in short “Ld. DR”] heavily relied on the order of the Ld. CIT(E).

7. We have heard both the sides and perused the material available on record. The assessee responded to the notices issued by the Ld.CIT(E) but it is observed from the order of the Ld.CIT(E) that the assessee has partly responded. We find that Ld. CIT(E) while rejecting the application in Form10AB for the purpose of Registration of the society under section 12AB of the Act has observed as follows: -

“3. On perusal of the submissions made by the assessee, it is observed that no substantial activities which are charitable in nature are being carried out by the assessee, which is in violation of the provisions of the

section 12AB of the IT Act, 1961. In view of the above, the present application in form 10AB for registration u/s. 12AB is herewith rejected.”

8. On a perusal of the Ld. CIT(E) order, we find that he has not discussed anything except stating that the no substantial activities which are charitable in nature are being carried out by the assessee. Ld. CIT(A) has not specified how the assessee's activities cannot be deciphered as charitable in nature. Ld.CIT(E) has simply rejected the assessee's application which, in our considered opinion is not correct. Therefore, in the interest of natural justice, we find it appropriate to grant another one more opportunity to the assessee to submit the relevant documents including the evidences as detailed in the notices. Accordingly, we grant one more opportunity to the assessee and thereby set-aside the impugned order and restore the matter back to the file of Ld.CIT(E) with a direction to provide one more opportunity to the assessee to furnish required details and to decide the case on merits by passing a speaking order. Assessee is also directed to fully cooperate and furnish necessary documents / information as required by the Ld.CIT(E).

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

Order pronounced in the open court on 27th June, 2025.

Sd/-
(रवीश सूद)
(RAVISH SOOD)

न्यायिक सदस्य/JUDICIAL MEMBER

Dated:27.06.2025

Giridhar, Sr.PS

Sd/-
(एसबालाकृष्णन)
(S. BALAKRISHNAN)

लेखासदस्य/ACCOUNTANT MEMBER

आदेशकी प्रति लिपि अग्रेषित/ Copy of the order forwarded to:-

1. निर्धारिती/ The Assessee : **Naga Sambasiva Charitable Service Trust**
#3-18, Unguturu
West Godavari District – 534411
Andhra Pradesh
2. राजस्व/ The Revenue : **Income Tax Officer (Exemption Ward)**
Income Tax Office,
Aayakar Bhavan, Kambala Cheruvu
Veerabhadrapuram
Rajahmundry – 533105
Andhra Pradesh
3. The Principal Commissioner of Income Tax
4. विभागीयप्रतिनिधि, आयकरअपीलीयअधिकरण, विशाखापटणम /DR,ITAT, Visakhapatnam
5. The Commissioner of Income Tax
6. गार्डफ़ाईल / Guard file

आदेशानुसार / BY ORDER

Sr. Private Secretary
ITAT, Visakhapatnam