

आयकर अपीलिय अधिकरण, विशाखापटणम पीठ में  
IN THE INCOME TAX APPELLATE TRIBUNAL  
Visakhapatnam Bench

श्री रवीश सूद, माननीय न्यायिक सदस्य एवं श्री एस. बालकृष्णन, माननीय लेखा सदस्य  
SHRI RAVISH SOOD, HON'BLE JUDICIAL MEMBER  
AND  
SHRI BALAKRISHNAN. S, HON'BLE ACCOUNTANT MEMBER,

I.T.A. No.116/Viz/2025  
Assessment Year – 2023-24

Karnam Brahmanayya Parvathi Choudary Charitable Trust, Thimmasamudram Village, Naguluppalapadu Mandal, Prakasam District – 523185. Andhra Pradesh.  PAN : AACTK0271F.	Vs.	The Income Tax Officer, (Exemption Ward), Guntur.
(अपीलार्थी/ Appellant)		(प्रत्यर्थी/ Respondent)

करदाता का प्रतिनिधित्व/ Assessee Represented by	:	Shri Chinmayee, Advocate.
राजस्व का प्रतिनिधित्व/ Department Represented by	:	Dr. Satyasai Rath, CIT(DR)
सुनवाई समाप्त होने की तिथि/ Date of Conclusion of Hearing	:	08.07.2025
घोषणा की तारीख/ Date of Pronouncement	:	18.07.2025

**ORDER**

प्रति रवीश सूद, जे.एम./PER RAVISH SOOD, J.M.

The present appeal filed by the assessee trust is directed against the order passed by the Commissioner of Income-Tax (Exemption), [for

short “CIT (Exemptions)”, Hyderabad, dated 20.11.2024 rejecting the application filed by the assessee trust in “Form No. 10AB” for grant of registration u/s 12AB of the Income Tax Act, 1961 (hereinafter referred to as "Act").

2. The assessee trust has assailed the impugned order on the following grounds of appeal:

- “1. The order of the learned CIT (E) is erroneous both on facts and in law;
2. The learned CIT(E) erred in not providing proper opportunity before rejecting the registration applied for u/s 12AB of the IT Act;
3. The learned CIT(E) ought to have seen that the provisional registration was granted based on the material available on record and the same material could have been used by the learned CIT(E) for granting registration on permanent basis u/s 12AB of the LT Act.
4. The learned CIT(E) erred in rejecting the claim for registration u/s 12AB on the ground that the information is not available on record;
5. Any other ground/grounds that may be urged at the time of hearing.”

3. Succinctly stated, the assessee trust had e-filed its application in “Form No.10AB” seeking registration u/s 12AB of the Act. Thereafter, the CIT(Exemptions) issued notice dt.08.06.2024 and 19.08.2024 seeking certain documents including the copy of the Memorandum of Association, Trust Deed and detailed information to verify the genuineness of the activities of the assessee trust.

4. On a perusal of the record, it transpires that the assessee trust had partially complied with the aforementioned notices. The CIT(Exemptions) considering the fact that the assessee trust had failed to come forth with the complete details, vide his notice dated 23.10.2024 directed the assessee trust to submit the complete set of information including viz. (i). cash flow statement/financial statements reflecting its objectives; (ii). copies of the latest 3 months GST returns; (iii). list of donors in respect of its 80G claim; and (iv) evidence of having incurred expenditure in furtherance of its objectives. It was clarified that in case the assessee trust complied with the notice, the application would be disposed of based on the material available on record.

5. Ostensibly, the assessee trust did not respond to the aforementioned notice dt.23.10.2024. As a result, the CIT(Exemptions) was thereafter constrained to reject the assessee trust's application for registration u/s 12AB of the Act on the ground of non-compliance and non-verification of the genuineness of its activities.

6. Aggrieved, the assessee trust has assailed before us the order passed by the CIT(Exemption) rejecting its application for registration u/s 12AB of the Act.

7. We have heard the Ld. Authorized Representatives of both parties, perused the order of the CIT(Exemption) and the material available on record.

8. We have perused the order passed by the CIT(Exemptions) rejecting the assessee trust's application for registration u/s 12AB of the Act, and find that the same is non-speaking and lacks specific findings or objective analysis of the documents that were already submitted by the assessee trust. The CIT(Exemptions) had neither elaborated on the deficiency in the documents submitted nor had recorded any clear finding regarding the non-genuineness of the activities of the assessee trust or any failure on its part to meet the conditions contemplated u/s 12AB of the Act.

9. We are unable to persuade ourselves to concur with the manner in which the CIT(Exemptions) had disposed of the application filed by the assessee trust for registration u/s 12AB of the Act. It is trite law that the quasi-judicial authorities are expected to pass reasoned orders,

especially when the matter involves the registration of a charitable trust under the Act. We are afraid that the impugned order passed by the CIT(Exemptions), declining the assessee trust's registration u/s 12AB of the Act seriously falls short of the aforesaid statutory requirements.

10. Considering the aforesaid facts, we are of a firm conviction that the matter requires consideration at the end of CIT(Exemptions). Accordingly, in all fairness, the matter is restored to the file of CIT(Exemptions) for adjudication. The CIT(Exemptions) shall in the course of set aside proceedings afford a reasonable opportunity of being heard to the assessee trust for furnishing necessary documents/evidence, as were called for by him in his earlier notice. Also, the assessee trust is directed to cooperate and fully with the directions of the CIT(Exemptions) during the course of the set aside proceedings. The CIT(Exemptions) is directed to examine the documents submitted by the assessee trust, in accordance with the extant of law and pass a speaking and reasonable order while disposing of the application for registration filed by the assessee trust u/s 12AB of the Act. Accordingly, the matter is restored to the file of CIT(Exemptions) in terms of our aforesaid observations.

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Choudary Charitable Trust,

11. Resultantly, the appeal of the assessee trust is allowed for statistical purposes in terms of our aforesaid observations

Order pronounced in the Open Court on 18<sup>th</sup> July, 2025.

<p>Sd/- (एस. बालकृष्णन) (S. BALAKRISHNAN) लेखा सदस्य/ACCOUNTANT MEMBER</p>	<p>Sd/- (रवीश सूद) (RAVISH SOOD) न्यायिक सदस्य/JUDICIAL MEMBER</p>
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Hyderabad, dated 18.07.2025.

**\*\*TYNM/sps**

आदेशकी प्रतिलिपि अग्रेषित/ Copy of the order forwarded to:-

1.	निर्धारिती/The Assessee	:	Karnam Brahmanayya Parvathi Choudary Charitable Trust, Thimmasamudram Village, Naguluppalapadu Mandal, Prakasam District – 523185. Andhra Pradesh.
2.	राजस्व/ The Revenue	:	The Income Tax Officer, (Exemption Ward), Guntur.
3.	The Principal Commissioner of Income Tax (Exemptions), Guntur.		
4.	विभागीयप्रतिनिधि, आयकर अपीलीय अधिकरण, / DR, ITAT, Visakhapatnam.		
5.	गार्डफ़ाईल / Guard file		

आदेशानुसार / BY ORDER

Sr. Private Secretary  
ITAT, Visakhapatnam