

**आयकर अपीलीय अधिकरण “ए” न्यायपीठ पुणे में ।**  
**IN THE INCOME TAX APPELLATE TRIBUNAL “A” BENCH, PUNE**

**BEFORE SHRI R.K. PANDA, VICE PRESIDENT**  
**AND**  
**MS. ASTHA CHANDRA, JUDICIAL MEMBER**

**आयकर अपील सं. / ITA Nos.1035 & 1034/PUN/2025**

Audumbar Sadguru Niwas Foundation, Shivasharam Near Godavari Kinara, At Post Gunj Khurad, Taluka Pathari, Gunj Khura, Parbhani, Maharashtra-431506  PAN : AAVCA1505G	<b>Vs.</b>	CIT (Exemption), Pune
<b>अपीलार्थी / Appellant</b>		<b>प्रत्यर्थी / Respondent</b>

Assessee by :	Shri Shubham N. Rathi
Department by :	Shri Amol Khairnar
Date of hearing :	08-10-2025
Date of Pronouncement :	29-10-2025

**आदेश / ORDER**

**PER ASTHA CHANDRA, JM :**

The above two appeals filed by the assessee are directed against the separate orders both dated 03.09.2024 of the Ld. Commissioner of Income Tax (Exemption), Pune (“**CIT(E)**”) rejecting the application(s) for grant of registration u/s 12A and approval u/s 80G of the Income Tax Act, 1961 (**the “Act”**). For the sake of convenience, both these appeals were heard together and are being disposed of by this common order.

2. There is a delay of 173 days in filing of this appeal before the Tribunal for which the assessee has filed an affidavit explaining the reasons for such delay. On perusal of the same, we are satisfied that the delay in filing of appeal is not intentional or deliberate but has occurred for the reasons mentioned in the affidavit. After hearing both the sides, we are of the view that the delay is attributable to the sufficient cause. We, therefore, in light of the decisions of the Hon'ble Supreme Court in the case of *Collector, Land Acquisition vs. Mst. Katiji & Ors. (1987) 167 ITR 471 (SC)* and in the case of *Inder Singh Vs. The State of Madhya Pradesh* reported in

2025 LiveLaw (SC) 339, condone the said delay and proceed to decide the appeal.

3. In ITA No.1035/PUN/2025, the assessee has challenged the order of the Ld. CIT (E) in rejecting the application for registration u/s 12A of the Act while ITA No.1034/PUN/2025 relates to the order of the Ld. CIT(E) in denying the approval u/s 80G of the Act.

4. Facts of the case in ITA No.1035/PUN/2025, in brief, are that the assessee filed an application in Form No.10AB on 28.03.2024 for registration of the trust under clause (iii) of section 12A(1)(ac) of the Act. With a view to verify the genuineness of the activities of the assessee and compliance to requirements of any other law for the time being in force by the trust/institution as are material for the purpose of achieving its objects, a notice was issued and duly served upon the assessee through ITBA portal on 23.05.2024 requesting the assessee to upload certain information/clarification contained therein by 06.06.2024. The assessee filed its reply on 03.06.2024 and requested for an adjournment which was granted upto 10.07.2024 vide notice dated 03.07.2024. The Ld. CIT(E) while going through these details submitted in response to the said notice and documents filed along with the application, found various discrepancies for which he issued another notice on 09.08.2024 requesting the assessee for necessary compliance by 16.08.2024. The said discrepancies recorded by the Ld. CIT(E) in para 4 of the impugned order is reproduced below:

“4. ...

*"(i) A point wise reply to the notice has not be furnished. Thus, you have failed to comply with the provisions of section 12AB(1)(b)(i) of the Income Tax Act, 1961.*

*(ii) Note on activities actually carried out, with details of date and place of each activity, details of beneficiaries, how they were identified, other relevant information has not been furnished.*

*(iii) No supporting evidence viz bills/invoices of expenditure on each activity, photographs, cuttings etc has been furnished to prove the genuineness of activities. In absence of any such tangible material in respect of proof of activities being carried out it is not possible to arrive at any conclusion about the genuineness of activities and also to ascertain as to whether the activities are in line with the objects of the trust / institution.*

(iv) Copy of bank statements of last 3 years has not been furnished by you. Kindly furnish the same.

(v) As noticed from the financial statements, the entire expenditure has been made on construction and not on any activities. It, therefore, appears that the activities have not been commenced as yet."

4.1 As the assessee did not furnish any explanation to the discrepancies communicated to it, the Ld. CIT(E) presumed that the assessee has nothing to say in the matter. Having been unable to draw any satisfactory conclusion about the genuineness of the activities of the assessee trust, the Ld. CIT(E) proceeded to pass the impugned order rejecting the application of the assessee and also cancelling the provisional registration earlier granted to the assessee by observing as under :

*"7. Considering the above facts discussed in the show notice and discrepancies noticed and also that the assessee has not complied with the provisions of section 12AB(1)(b)(i) of the Income Tax Act, 1961 as well as the provisions of Rule 17A(2) of Income Tax Rules, 1962 in spite giving sufficient opportunities, the undersigned is unable to draw any satisfactory conclusion about the genuineness of activities of the assessee and compliance of requirements of any other law for the time being in force by the assessee as are material for the purpose of achieving its objects.*

*8. In view of the above, the application filed by the assessee hereby rejected and the provisional registration granted on 15/04/2022 under section 12AB read with section 12A(1)(ac)(vi) of the Income Tax Act, 1961 is hereby cancelled."*

5. Aggrieved with such order of the Ld. CIT(E), the assessee is in appeal before the Tribunal by raising the following grounds:

**"1. BREACH OF PRINCIPLES OF NATURAL JUSTICE**

*1.1 The Learned Commissioner of Income Tax (Exemption), Pune [the Ld. CIT(E)] erred in passing the order rejecting the application made in Form 10AB under section 12A(1)(ac)(iii) and cancelling provisional registration by not granting proper, sufficient and adequate opportunity of being heard to the Appellant while framing assessment.*

*1.2 While doing so, the Ld. CIT(E) failed to appreciate that as per the principles of natural justice, providing adequate opportunity of being heard to the assessee is mandatory before passing the adverse order.*

*1.3 In the above circumstances, it is humbly prayed to set aside the order passed by the CIT(E).*

**2. ERRED IN REJECTING THE APPLICATION IN FORM 10AB**

*2.1 The Ld. CIT(E) erred in not granting the regular registration u/s 12A/12AB of the Income-tax Act, 1961 [the Act] and cancelling the provisional registration vide ex parte order dated 03.09.2024.*

2.2 While doing so, the Ld. CIT(E) erred in rejecting the application by doubting the genuineness of the activities of the appellant and compliance to requirements of any other law.

2.3 In the above circumstances, the Appellant prays to set aside the order rejecting the application under Form 10AB and cancelling the provisional registration and it further prayed to grant regular registration for five years.

### **3. LIBERTY**

*The Appellant craves leave to add, alter, amend, delete or substitute any of the above grounds of appeal.”*

6. Admittedly, the facts of the case in ITA No.1034/PUN/2025 are similar to that of ITA No.1035/PUN/2025 narrated above. Similar grounds have been raised in ITA No. 1034/PUN/2025 which read as under:

#### **“1. BREACH OF PRINCIPLES OF NATURAL JUSTICE**

1.1 The Learned Commissioner of Income Tax (Exemption). Pune [“the Ld. CIT(E)”] erred in passing the order rejecting the application made in Form 10AB under section 80G(5)(0) and cancelling provisional approval by not granting proper, sufficient and adequate opportunity of being heard to the Appellant while framing assessment.

1.2 While doing so, the L.d. CIT(E) failed to appreciate that as per the principles of natural justice, providing adequate opportunity of being heard to the assessee is mandatory before passing the adverse order.

1.3 In the above circumstances, it is humbly prayed to set aside the order passed by the CIT(E)

#### **2. ERRED IN CANCELLING REGULAR REGISTRATION GRANTED**

2.1 The Ld. CTT(E) erred in not granting regular approval under section 80G(5)(iii) of the Income-tax Act, 1961 [“the Act”] and cancelling the provisional approval vide order dated 03.09.2024.

2.2 In the above circumstances, the Appellant prays to set aside the order of cancelling the regular approval and it further prayed to grant regular approval for five years.

### **3. LIBERTY**

*The Appellant craves leave to add, alter, amend, delete or substitute any of the above grounds of appeal.”*

7. It is the submission of the Ld. AR that since the Ld. CIT(E) has rejected the grant of registration u/s 12A of the Act and cancelled the provisional registration granted earlier, he refused to grant approval u/s 80G of the Act.

8. The Ld. AR, at the outset, submitted that the Ld. CIT(E) has rejected the assessee's application for registration under section 12A of the Act on account of non-compliance of the show cause notice wherein certain discrepancies were pointed out by the Ld. CIT(E). He submitted that the non-compliance before the Ld. CIT(E) was not intentional but it was due to the mistake of the tax consultant who did not inform the assessee about the same. He therefore prayed that in the interest of justice, the assessee may be provided with an opportunity to present and substantiate its case before the Ld. CIT(E) by filing all the requisite details/ documents to his satisfaction and the matter may be restored back to his file for fresh adjudication on merits.

9. The Ld. DR, on the other hand, supported the order of the Ld CIT(E).

10. We have heard Ld. Representatives of the parties, perused the material available on record. It is an admitted fact that the assessee filed some response to the initial notice issued by the Ld. CIT(E), however, the same were not to the satisfaction of the Ld. CIT(E). The assessee thereafter failed to comply with the subsequent show cause notice requiring the assessee to submit certain documents/details as per the discrepancies pointed out by the Ld. CIT(E). The Ld. CIT(E) therefore rejected the application of the assessee u/s 12A for the reason recorded in para 7 of his impugned order reproduced in the preceding paragraph. The assessee's application for grant of approval u/s 80G has also been rejected by the Ld. CIT(E) on the similar grounds. Further, since the application for grant of registration u/s 12A of the Act was rejected and the provisional registration granted earlier was cancelled, he also rejected the application for grant of approval u/s 80G of the Act.

11. Considering the totality of the facts and in the circumstances of the case enumerated above and in the interest of justice, we deem it proper, to set aside the impugned order(s) of the Ld. CIT(E) and restore the issue(s) to his file with a direction to grant one final opportunity to the assessee to explain and substantiate its case to his satisfaction by filing the requisite details and decide both the applications of the assessee under section 12A and 80G of the Act afresh as per fact and law. The assessee is also hereby

directed to remain vigilant in accessing notices of hearing and make his submissions on the appointed date without seeking any adjournment under any pretext unless required for the sufficient cause, failing which the Ld. CIT(E) shall be at liberty to pass appropriate order(s) as per law. We hold and direct accordingly. The grounds raised by the assessee in both the appeals are accordingly allowed for statistical purposes.

12. In the result, both the appeals in ITA Nos.1035 & 1034/PUN/2025 filed by the assessee are allowed for statistical purposes.

**Order pronounced in the open court on 29<sup>th</sup> October, 2025.**

Sd/-  
(R.K. Panda)  
**VICE PRESIDENT**

Sd/-  
(Astha Chandra)  
**JUDICIAL MEMBER**

पुणे / Pune; दिनांक / Dated : 29<sup>th</sup> October, 2025.  
रवि

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

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The Pr. CIT concerned.
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "ए" बेंच,  
पुणे / DR, ITAT, "A" Bench, Pune.
5. गार्ड फ़ाइल / Guard File.

//सत्यापित प्रति// True Copy//

आदेशानुसार / BY ORDER,

वरिष्ठ निजी सचिव / Sr. Private Secretary  
आयकर अपीलीय अधिकरण ,पुणे / ITAT, Pune