

**IN THE INCOME TAX APPELLATE TRIBUNAL
ALLAHABAD BENCH, ALLAHABAD**

**BEFORE SHRI ANADEE NATH MISSHRA, ACCOUNTANT MEMBER
AND
SHRI SUBHASH MALGURIA, JU DICIAL MEMBER**

I.T.A. No.61/Alld/2025
Assessment year:2018-19

Saint Mary's Educational Society 32, Bishp House, Thornhill Road Prayagraj-211002 PAN:AABTS1919H (Appellant)	Vs.	Income Tax Officer (Exemptions) Prayagraj. (Respondent)
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Appellant by	Shri N. C. Agrawal, C.A.
Respondent by	Shri A. K. Singh, Sr. D.R.

ORDER

PER SUBHASH MALGURIA:J.M.

This appeal vide I.T.A. No.61/Alld/2025 has been filed by the assessee for assessment year 2018-19 against impugned appellate order dated 30/05/2024 (DIN & Order No.ITBA/NFAC/S/250/2024-25/1065271437(1) of Commissioner of Income Tax (Appeals) ["CIT(A)" for short].

2. This appeal has been filed by the assessee, beyond time limit prescribed under section 253(3) of the I.T. Act. The assessee has submitted an application dated 04/04/2025 for condonation of delay in filing of the appeal pleading that the delay was unintentional and beyond the control of the assessee and has requested to admit the appeal for hearing. The learned Sr. Departmental Representative for Revenue did not express any objection to assessee's application for condonation of delay in filing of the

appeal. In view of the foregoing, and in specific facts and circumstances of the present appeal before us, the delay in filing of this appeal is condoned; and the appeal is admitted for hearing.

3. The facts of the case, in brief, are that the assessee trust was registered under Section 12A of the I.T. Act on 28/10/1999. The assessee filed its return of income for the year under consideration on 21/09/2018 declaring nil income after claiming exemption u/s 11 of the I.T. Act. The return filed by the assessee was processed u/s 143(1) of the Act. Subsequently, the case of the assessee trust was selected for complete scrutiny. Accordingly, the Assessing Officer issued notices u/s 143(2) and 142(1) of the Act. In response thereto, the assessee filed details as called for by the Assessing Officer. On perusal of the return of income, the Assessing Officer noticed that there was a change in the objects of the assessee trust. The Assessing Officer also noticed that the assessee had filed Form 10A on 10/05/2018 seeking fresh registration u/s 12AA of the Act as per the amended provisions of the Act consequent upon change in the objects of the assessee trust. The CIT(Exemption), Lucknow rejected the application filed by the assessee vide order dated 22/11/2018. Since the application of the assessee, seeking fresh registration u/s 12AA after change in the objects of the assessee, was rejected by learned CIT (Exemptions), the Assessing Officer opined that the assessee trust had become ineligible to claim exemption u/s 11 of the Act and the assessee was treated as AOP. The Assessing Officer issued show cause notice proposing the denial of exemption u/s 11 of the Act and treating the assessee as AOP. In response to show cause notice, the assessee submitted that order passed by the CIT(Exemption) rejecting the fresh application filed for registration u/s 12AA of the Act was set aside by the Hon'ble ITAT, Allahabad and was now pending before the CIT(Exemption), Lucknow. The

Assessing Officer did not find the reply of the assessee acceptable and completed the assessment u/s 143(3) read with section 144B of the Act passed on 28/04/2021 assessing total income at Rs.4,91,24,101/- after allowing expenses allowable to the extent of Rs.5,21,98,664/- from the gross receipts of Rs. 10, 13,22,765/-. Aggrieved, the assessee went in appeal before the learned CIT(A), who has dismissed the appeal of the assessee. Aggrieved further, the assessee is in appeal before the Income Tax Appellate Tribunal.

4. During the course of hearing in the Income Tax Appellate Tribunal, learned Counsel for the assessee strongly opposed the order of Assessing Officer and learned CIT(A). In support of his contention, learned Counsel for the assessee submitted the paper book, containing the following documents:

Sl No.	Particulars
1.	Notices issued/received:
a)	u/s 143(2) dated 23.09.2019 under CASS on specific issues by ACIT, E-verification
b)	u/s 142(1) dated 08.02.2020 by ACIT, Exemption Circle, Lucknow
c)	Dated 14/16.10.2020 by National e-Assessment Centre, Delhi
d)	u/s 142(1) dated 23.12.2020 by National e-Assessment Centre, Delhi
e)	u/d 142(1) dated 11.01.2021 by National e-Assessment Centre, Delhi
f)	u/s 142(1) dated 19.02.2021 by National e-Assessment Centre, Delhi
g)	Show Cause Notice dated 21.04.2021 by National e-Assessment Centre, Delhi
2.	Submissions made:
a)	Dated 01.10.2019 alongwith the following: Order dt. 18.11.1999 granting registration u/s 12AA of the Income tax Act, 1961
b)	Dated 04.01.2020 including the following: Copy of Original and Amended Memorandum of Association The details of accumulation in A.Y. 2017-18 u/s 11(2) of the Act
c)	Dated 27.01.2021 (without enclosures)
d)	Dated 21.02.2021 (without enclosures)
e)	Dated 23.04.2021
3.	Notices issued by the National Faceless Appeal Centre (NFAC), Delhi:
a)	Dated 09.11.2021
b)	Dated 09.11.2021
c)	Dated 08.12.2021

	j)	Dated 15.11.2022
	e)	Dated 29.11.2023
	f)	Dated 15.12.2023
4.	Submissions before the National Faceless Appeal Centre (NFAC), Delhi:	
	a)	Dated 15.12.2021 including the following: Order passed u/s 12AA(1)(b)(ii) of the Act dated 22.11.2018 by Ld. CIT(Exemption), Lucknow Order dated 19.11.2019 passed by Hon'ble Income Tax Appellate Tribunal, Allahabad against above Order The copy of the Audited statement of accounts.
	b)	Dated 26.12.2022 including the following: Order dated 13.12.2022 granting registration u/s 12AA r.w.s. 254 of the Income tax Act, 1961
	c)	Dated 10.01.2024 (without enclosures)
5.	Audit Report dated 06.09.2018 in Form 10B	
6.	Computation of Income	
7.	Circular No. 225/402/2018/ITA.II dated 28.11.2018	
8.	CIT(A) allowed the appeals on similar facts in the case of Christ Jyoti Society for A.Y. 2018-19:	
	a)	Order passed u/s 12AA(1)(b)(ii) of the Act dated 23.10.2018 by Ld. CIT(Exemption), Lucknow
	b)	Order dated 22.11.2019 passed by Hon'ble Income Tax Appellate Tribunal, Allahabad against above Order
	c)	Order dated 16.03.2022 granting registration u/s 12AA r.w.s. 254 of the Income tax Act, 1961
	d)	CIT(A) Order dated 23.09.2022 passed u/s 143(1) of the Act allowing the appeal
	e)	CIT(A) Order dated 05.02.2024 passed u/s 143(3) of the Act allowing the appeal

5. On the other hand, learned Departmental Representative supported the orders of the authorities below and submitted that since the assessee was not having registration under section 12AA of the Act, it was not eligible to claim exemption under section 11 of the Act. He also submitted that the Assessing Officer had made the addition in absence of registration under section 12AA of the Act for the assessment year 2018-19 and learned CIT(A) has correctly dismissed the appeal of the assessee on this ground.

6. We have heard the rival parties and have gone through the material placed on record. While dismissing the appeal of the assessee, the learned CIT(A) has observed as under:

5.2.4 On perusal of the registration certificate (supra), it is clear that the appellant got registration u/s.12AA of the Act from the AY 2019-20 only. Moreover, it is also relevant to get into the amendment brought in section 12A by Finance Act 2014 with effect from 1.10.2014 by way of insertion of first proviso to section 12A(2) of the Act which is reproduced below for the sake of convenience :-

“Section 12 A (2) Where an application has been made on or after the 1st day of June 2007, the provisions of section 11 and 12 shall apply in relation to the income of such trust or institution from the assessment year immediately following the financial year in which such application is made:

Provided that where registration has been granted to the trust or institution under section 12AA, then, the provisions of sections 11 and 12 shall apply in respect of any income derived from property held under trust of any assessment year preceding the aforesaid assessment year, for which assessment proceedings are pending before the Assessing Officer as on date of such registration and the objects and activities of such trust or institution remain the same for such preceding assessment year:

Provided further that no action under section 147 shall be taken by the Assessing Officer in case of such trust or institution for any assessment year preceding the aforesaid assessment year only for non-registration of such trust or institution for the said assessment year:

Provided also that provisions contained in the first and second proviso shall not apply in case of any trust or institution which was refused registration or the registration granted to it was cancelled at any time under section 12AA.”

(emphasis supplied)

5.2.5 The grounds, submissions and assessment order are considered carefully. In view of the above facts, I am of the considered opinion that there is no merit in the contention of the appellant since the appellant was not registered u/s 12AA of the Act consequent to the change of objects in the Trust for the AY 2018-19. Further, that the registration u/s 12AA rws 254 of the Act granted by the CIT(Exemption), Lucknow on 13.12.2022 is with effect from the Assessment Year 2019-20 only. **Accordingly, in the absence of registration**

u/s 12A of the Act for the AY 2018-19, the addition made by the AO by denying the benefit under section 11 of the Act is hereby confirmed. Accordingly, the ground nos. 2 to 12 are dismissed.”

7. In view of the foregoing, it is clear that the assessee was not having registration u/s 12AA of the Act consequent to the change of objects of the trust for the assessment year 2018-19, and the registration under section 12AA read with section 254 of the Act granted by CIT (Exemptions), Lucknow on 13/12/2022 is with effect from the assessment year 2019-20 only. We find no infirmity in the above findings of learned CIT(A), which is confirmed and the appeal filed by the assessee is dismissed.

8. In the result, the appeal of the assessee stands dismissed.

(Order pronounced in the open court on 31/10/2025)

Sd/.
(ANADEE NATH MISSHRA)
Accountant Member

Sd/.
(SUBHASH MALGURIA)
Judicial Member

Dated:31/10/2025
*Singh

Copy of the order forwarded to :

1. The Appellant
2. The Respondent.
3. Concerned CIT
4. D.R., I.T.A.T., Allahabad