101

IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

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ITA No.8525 of 2018
Date of Decision: 10.02.2020

The Commissioner of Income Tax (Exemptions), Chandigarh

Appellant

Versus

Dream and Beauty Charitable Trust (Regd.), Ludhiana

Respondent

CORAM: HON'BLE MR. JUSTICE AJAY TEWARI
HON'BLE MR. JUSTICE AVNEESH JHINGAN

Present: Mr. Denesh Goyal, Sr. Standing Counsel for the Revenue.

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AJAY TEWARI, J. (Oral)

[1] The present appeal has been filed under Section 260A of the Income Tax Act, 1961 [for brevity 'the Act'] against the order dated 17.10.2014 passed by the Income Tax Appellate Tribunal, Chandigarh in ITA No.1013/CHD/2011.

[2] The brief facts are that assessee was and continuing to be registered under Section 12AA of the Act. It had also been granted benefits under Section 80G(5) of the Act. It moved an application for extension of exemption under Section 80G of the Act which was denied by the subordinate authorities. By the impugned order, the Tribunal relied upon the judgment of this Court in ***CIT Vs. Shri Vishav Namdhari Sangat*** reported as ***354 ITR 33*** holding that Circular No. 5/2020 and Circular No.7/2010 issued by Central Board

of Direct Taxes had given perpetuity to the exemptions granted under Section 80G(5) of the Act and consequently, allowed the exemption to continue.

[3] The following questions of law have been framed:

> *"I. Whether on the facts and circumstances of the case and in law, the ITAT is right in directing the registration to be accorded instead of reverting it back for re-examination in the light of judgement of the Hon'ble Allahabad High Court in appeal No.112 of 2013 in the case of CIT, Meerut Vs. M/s A.R. Trust, Meerut, wherien it was held that the Tribunal could have ordered for setting aside the order of Registering Authority refusing registration but it could not have directed for registration straight away in as much as there has to be satisfaction recorded by the Registering authority which was lacking?*
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> *II. Whether on the facts and circumstances of the case and in law, the Hon'ble ITAT is right in disregarding the fact that there was no need to get registered under Societies Registration Act, 1860, when it had already been registered with the Sub-Registrar (Revenue) as a Trust?*
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> *III. Whether on the facts and circumstances of the case and in law, the Hon'ble ITAT is right in disregarding the fact that the property of the trust had not been applied to the extent of 85% to the stated objects of the applicant?*
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> *IV. Whether on the facts and circumstances of the case and in law, the Hon'ble ITAT is right in disregarding the fact that this is entity created for the vested interests of a few promoters who are creating and also disposing off the Capital assests TAX FREE*

claiming a bogus status of a charity?

V. Whether on the facts and circumstances of the case and in law, the Hon'ble ITAT is right in disregarding the fact that the trust has amended by a supplementary trust deed whereas this trust originally declared to be irrevocable Trust i.e. cannot be amendeed by a supplementary trust deed?

VI. Whether on the facts and circumstances f the case, the order of the Appellate Tribunal is contrary to the evidence and material on the record of the case and therefore, perverse?"

[4] However, learned counsel for the appellant is not in a position to deny the applicability of judgment in ***Shri Vishav Namdhari Sangat's*** case (supra) in the present case.

[5] In the circumstances, the appeal is dismissed.

[6] Since the appeal is disposed of, the pending application, if any, stands disposed of.

[AJAY TEWARI]
JUDGE

[AVNEESH JHINGAN]
JUDGE

February 10, 2020
pankaj baweja

1. Whether speaking/ reasoned : Yes / No
2. Whether reportable : Yes / No