



214-2

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

ITA-166-2016(O&M)
Date of Decision:12.08.2024

COMMISSIONER OF INCOME TAX (EXEMPTIONS), CHANDIGARH

.....Appellant

V/s.

M/S PUNJAB CRICKET ASSOCIATION (PCA), MOHALI

.....Respondent

**CORAM: HON'BLE MR. JUSTICE SANJEEV PRAKASH SHARMA
HON'BLE MR. JUSTICE SANJAY VASHISTH**

Present Mr. Amanpreet (A.P.) Singh, Senior Standing counsel
 for the appellant/Income Tax Department.

 Mr. Shantanu Bansal, Advocate, and
 Mr. Yugank Goyal, Advocates for the respondent-Assessee.

SANJEEV PRAKASH SHARMA, J. (Oral)

1. Learned counsel for the appellant/revenue vehemently argued and submits that the Income Tax Appellate Tribunal, Division Bench, Chandigarh (hereinafter referred to as the “ITAT”), vide its order dated 19.10.2015 passed in an appeal filed by the appellant/revenue, has erred in holding that the authority has no jurisdiction to cancel the registration granted under Section 12 of the Income Tax Act, 1961 (hereinafter referred to as “the Act”) by invoking powers under Section 12-AA(3) of the Act.

2. In this case, the registration was granted to the respondent-Assessee under Section 12-A of the Act vide order dated 20.06.2012, while the Commissioner of Income Tax, Chandigarh, conferred with powers under Section 12AA(3) of the Act, which came into force w.e.f. 01.06.2010 and therefore, the said powers have been exercised retrospectively which could not



have been done in view of the judgment dated 08.05.2024 passed by this Court in ITA-21-2011 titled as The Commissioner of Income Tax, Patiala Vs. Young Scholar's Educational Society, Barnala whereby the similar issue as raised by the appellant/revenue stands finally adjudicated by this Court after relying on the judgements passed in the case of New Noble Educational Society vs Chief Commissioner of Income-Tax and another; (2022) 448 ITR 594 and Pinegrove International Chairtable Trust Vs Union of India and others (2010) 327 ITR (P&H) holding that the powers available to the authorities to cancel the registration granted under Section 12AA(3) of the Act was only prospective and could not be applied retrospectively. The relevant extract the order is reproduced as under:-

“15. XXXX XXXX

16. While answering questions of law nos. 1, 3 and 4 (*supra*), we find that essentially the ITAT has held the order passed by the CIT cancelling the registration on 02.03.2010 to be without jurisdiction and without authority in law. It has stated so as the amendment was made in Section 12AA(3) of the Act by the Finance Act of 2010 empowering the Commissioner to cancel the registration granted under Section 12A of the Act where it reaches to a conclusion that the activities of the such trust are not genuine and not being carried out in accordance with the objects of the trust or institution. The power was, therefore, not available as on the day when the CIT cancelled the registration i.e. on 02.03.2010.

17. XXXX XXXX



18. Thus, we find that the facts were almost similar to the facts of the present case as in the aforesaid case Industrial Infrastructure Development Corporation (Gwalior) M.P. Limited’s case (supra), the Commission had cancelled the registration under Section 12A of the Act dated 13.04.1991 by its order dated 29.04.2002 and on 29.04.2002 the Commissioner was not empowered to cancel such registration. In view thereof, the questions of law no. 1, 3 and 4 are answered in favour of the assessee on the basis of judgment in Commissioner of Income-Tax, Gwalior (supra).”

3. In view of the above, we find that registration of the respondent-Assessee herein also could not have been cancelled retrospectively. Accordingly, the Appeal stands **dismissed**.

4. All pending applications filed in this case shall stand disposed of accordingly.

[SANJEEV PRAKASH SHARMA]
JUDGE

[SANJAY VASHISTH]
JUDGE

August 12, 2024
Ess Kay

Whether speaking / reasoned	:	Yes	/	No
Whether Reportable	:	Yes	/	No