

**IN THE INCOME-TAX APPELLATE TRIBUNAL, SURAT BENCH, SURAT
BEFORE DINESH MOHAN SINHA, JUDICIAL MEMBER AND
SHRI BIJAYANANDA PRUSETH, ACCOUNTANT MEMBER
ITA Nos.178/SRT/2025
(Hybrid Hearing)**

Sheth Sobhagchand Dipchand Choksi and Other Shri Visha Shrimali Vidyotejak, 8/1728 Gopipura Main Road, Nr. Jain Temple, Surat - 395001	Vs.	The CIT(Exemption), Ahmedabad
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: AABTS2854H		
(Appellant)		(Respondent)

Appellant by	Shri Sapnesh Sheth, CA
Respondent by	Shri Ravi Kant Gupta, CIT-DR
Date of Hearing	06/08/2025
Date of Pronouncement	29/08/2025

आदेश / ORDER

PER BIJAYANANDA PRUSETH, AM:

This appeal emanates from the order dated 24.12.2024 passed by the Commissioner of Income-tax (Exemption), Ahmedabad [in short "CIT(E)"], wherein CIT(E) was rejected the application for approval u/s 80G(5)(iii) of the Act and provisional approval also cancelled.

2. The grounds of appeal raised by the assessee are as follows:

"1. On the facts and circumstances of the case as well as law on the subject, the Id. Commissioner of Income Tax (Exemption) has erred in rejecting the application filed by the Appellant Trust in form 10AB for grant of approval under clause (iii) of first proviso to section 80G(5) of the I.T. Act.

2. It is therefore prayed that order of Id. Commissioner of Income-tax (Exemptions) rejecting application of assessee may please be quashed.

3. Appellant craves leave to add, alter or delete any ground(s) either before or in the course of hearing of the appeal.”

3. The brief facts of the case are that the assessee electronically filed application in Form No.10AB under clause (iii) of first proviso to sub-section (5) of section 80G of the Act filed in Form No. 10AB. The CIT(E) issued three notices on 18.09.2024, 05.11.2024 and 09.12.2024, calling for various details. In response to the notices issued by the CIT(E), the assessee filed submission on 15.11.2024. He has discussed legal background of Rule 11AA(1), 11AA(2) and sections 2(15), 80G(5) along with Explanation – 3 and section 80G(5B). He subsequently issued a show cause notice dated 09.12.2024 and the assessee submitted its reply on 12.12.2024, which is at page 9 of this order. After perusing objects of the applicant as mentioned in the instrument of creation of the trust, the CIT(E) observed that objectives of the instrument are community specific in nature. The assessee had submitted that the trust was providing benefits not only to its community but also doing charitable activities for all. The assessee also submitted that an amendment was also made in Trust to carry out such activities without any discrimination of caste. However, no copy of the amendment was filed with the reply. The CIT(E) noted that the objective of trust deed is confined for specific community, i.e., Visha Shrimali Jain Samaj and not for benefit of public at large. Therefore, institution or fund is expressed to be for the benefit of any particular religious community or caste; and assessee is not entitled for the benefit u/s 80G(5) of the Act. Hence, he

rejected the application in Form 10AB and also cancelled the provisional approval.

4. Aggrieved by the order of CIT(E), the assessee filed appeal before this Tribunal. The learned Authorized Representative (Id. AR) submitted two paper books including trust deed, reply filed with CIT(E) against show cause notice, reply filed with CIT(E) u/s 80G(5), provisional registration certificate u/s 12A, provisional registration certificate u/s 80G, audited income and expenditure account and balance sheet for Ays 2021-22 and 2022-23. He submitted that the Trust was established in 1932. The objects cited by the CIT(E) are from the original trust deed. The Id. AR submitted that there is amendment in the trust deed and the assessee trust is not incurring any expenditure for the community but on education and other charitable activities. The CIT(E) did not verify the same and rejected the applicant.

5. On the other hand, the learned Commissioner of Income-tax - Departmental Representative (Id. CIT-DR) supported the order of CIT(E).

6. We have heard both parties and perused the materials available on record. We have also perused the trust deed from where the objects of the trust clearly reveal that the fund was open for the education of the boys and girls of Shri Visha Shrimali Jain Samaj. The Id. AR submitted that an amendment was made in the trust to carry out charitable activities without discrimination of caste. However, copy of the said amendment has not been filed either before the CIT(E) or before the Tribunal. Therefore, the finding of

the CIT(E) that it was not for the benefit of public at large and the objects of the trust are confined for the specific community, i.e., Visha Shrimali Jain Samaj has not been controverted by any credible evidence. Therefore, we do not find any justification to differ from the finding of the CIT(E). Accordingly, the appeal is dismissed.

7. In the result, appeal of the assessee is dismissed.

Order is pronounced under provision of Rule 34 of ITAT Rules, 1963 on 29/08/2025.

Sd/-
(DINESH MOHAN SINHA)
JUDICIAL MEMBER

Surat

दिनांक/ Date: 29/08/2025

SAMANTA

Copy of the Order forwarded to:

1. The Assessee
2. The Respondent
3. The CIT(A)
4. CIT
5. DR/AR, ITAT, Surat
6. Guard File

Sd/-
(BIJAYANANDA PRUSETH)
ACCOUNTANT MEMBER

By Order

// TRUE COPY //

Assistant Registrar/Sr. PS/PS
ITAT, Surat