

IN THE INCOME TAX APPELLATE TRIBUNAL, RAJKOT BENCH, RAJKOT
BEFORE DR. ARJUN LAL SAINI, ACCOUNTANT MEMBER

AND

SHRI DINESH MOHAN SINHA, JUDICIAL MEMBER

आयकरअपीलसं./ITA No. 35/RJT/2025

(निर्धारणवर्ष / Assessment Year: (2024-25)

(Hybrid Hearing)

Shri Ananadabava Sedarat Seva Sanstha Jamnagar Gopal Bhuvan, Limdalane, Jamnagar Jamnagar - 361001	Vs.	The Pr. Commissioner of Income- Tax (Exemption), Ahmedabad Room No. 609, 6 th Floor, Aayakar Bhawan, (Vejalpur), Nr. Sachin Tower, 100 foot Road, Anandpar- Prahladnagar Road, Ahmedabad - 380015
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: AAATS9759G		
(Appellant)		(Respondent)

Appellant by : Shri Mehul Ranpura, Ld. AR

Respondent by : Shri Sanjay Punglia, Ld. CIT(DR)

Date of Hearing : 22/07/2025

Date of Pronouncement : 21/10/2025

आदेश / ORDER

PER DINESH MOHAN SINHA, JM:

Captioned appeal filed by assessee pertaining to Assessment Year 2024-25, is directed against order passed by Commissioner of Income Tax (Exemption), vide order dated 25/12/2024 on the application for approval, u/s. 80G(5)(iii) of the Income Tax Act, 1961.

2. Grounds of Appeal

1.The grounds of appeal mentioned hereunder are without prejudice to one another.

2.The order passed by the learned Commissioner of Income-tax (Exemption), Ahmedabad [hereinafter referred to as the "CIT(E)"] u/s. 80G(5)(iii) of the Income Tax Act, 1961 is bad in law and on facts.

3.The learned CIT(E) erred on facts as also in law rejecting the application registration u/s.80G(5)(iii) of the Act on the alleged ground that the appellant has violated main condition of subsection (5) of the section 80G i.e. the object of trust is not a purely charitable trust and hence not entitled to get approval u/s.80G(5) of the Act. The learned CIT(E) may kindly be directed to grant registration u/s. 80G(5)(iii) of the Act.

4.Your Honour's appellant craves leave to add, to amend, alter, or withdraw any or more grounds of appeal on or before the hearing of appeal.

A. I Mahant Mayaprashadji Ram Guru Ramprashadji is running Anandabava Sadavrat seva sanstha run independently as per prevailing tradition. The aim and purpose of this Anandabava Sadavrata Seva sanstha is to do services (to do seva) of public and society without any differences of caste and customs and accordingly to give the help to the poor person, support-less persons and orphan and disabled, miseries person.

3. An application for approval under clause (iii) of first proviso to subsection (5) of section 80G of the I.T. Act, 1961 filed in Form no. 10AB electronically.

4.

Date of application for registration or approval in	27.06.2024 Section code:80G(5)(iii)
---	--

FORM 10AB and section code,	
Date of provisional approval.	19.01.2023
Section/sub-section/clause/sub-clause/proviso in which provisional registration is being granted	Clause (iv) of first proviso to sub-section (5) of section 80G
Assessment year or years for which the trust or institution is provisionally approved	From 19.01.2023 TO AY 2025-26.

5. With reference to notices issued by this office. The assessee has filed submissions on 04.10.2024, along with undermentioned detail/documents

- Copy of trust deed and certificate of registration with Charity Commissioner along with Free English Translation
- Copy of Audited Report along with audited Financial Statements for F.Y. 2020-21 to F.Y. 2022-23
- Copy of provision and final registration certificate for registration u/s. 12A in Form no. 10AC
- Copy of application for provision registration certificate for registration u/s.80G in Form no. 10AB
- Copy of provisional financial statement for FY 2023-24 to submit expenditure incurred towards religious objects of the Trust in the last three years.

Sr. NO.	F.Y.	Total Income/ Receipts			Religious expenditure	Religious expenditure percentage
		Income as per Income & expenditure A/c	Income received in corpus fund	Total		
1.	2022-23	11,283,321/-	29,69,101/-	14,252,422/-	83,726/-	0.59%
2.	2021-22	14,132,832/-	12,79,445/-	15,412,277/-	1,60,184/-	1.04%
3.	2020-21	12,892,762/-	32,88,122/-	16,180,884/-	1,55,960/-	0.96%

6. Considering the replay filed by the assessee the Ld. CIT(E) was of the view, the applicant has violated existing main condition of sub-section (5) of section 80G of the Act i.e. it is not a purely charitable trust. Also it has violated the provisions of clause (ii) of sub-section (5) of Section 80G of the Income Tax Act, 1961 and hence the applicant is not entitled to get approval u/s. 80G(5) of the Income Tax Act therefore the present application filed in Form 10AB is liable to be rejected. Looking to the above facts, the present application filed in Form No.10AB for approval under clause (iii) of first proviso to section 80G(5) of the Act is rejected and the provisional approval also stands cancelled.

7. That the assessee filed an appeal against the order dated 25/12/2024 before this tribunal. During the course AR submitted that the assessee is public charitable trust and temples are not belong to particular religious community and all the activity is not religious in nature. The learned AR

also placed on record a paper book containing all relevant records relating to trust the AR also relied on judgement.

7.1 The AR submitted that the expenditure on religious expense nature is less than 5%. The Ld. AR also submitted that the assessee trust has got amendment in the memorandum of trust all objectionable clause has been deleted. The AR further prayed for an opportunity to place amended object before Ld. CIT(Exemption).

7.2 On the contrary DR for revenue submitted that the object of the Trust are religious in nature. However, the DR does not object the prayer of assessee regarding submission of amended constitution.

8. We have heard the matter and perused the available record and also perused the paper book.

We note that the assessee trust working since long and applied for approval under clause 80G(5)(iii) in Form NO. 10AB. that the Ld. CIT(Exemption) has objected to certain clause of the constitution of the trust stating that some of the objects are religious in nature and the trust has incurred expenses for religious purposes before us the assessee has placed all documents related to trust.

We further note that the objection of the CIT(Exemption) is that the object of the assessee trust are religious in nature. The expense incurred on religious activity is more than 5% of total income of Trust. However, the contention of the assessee is that the expenses of religious are less than 5% of total amount. All relevant documents in form of receipt payment accounts balance sheet and audit report were submitted before us. That during the pendency of the appeal the assessee has got amended the object of the trust and assessee further prayed for an opportunity to submit the amended object of the constitution. Considering the facts and

circumstance of the case. We are of the view that assessee should be granted an opportunity to the assessee to submit the amended constitution. With the above observation we restore the matter back to the file of CIT(E), the order of the CIT dated 25/12/2024 is set aside. we direct CIT(Exemption) to take into consideration the amended object of the trust and adjudicate the issue afresh on merit after giving due opportunity to the assessee. The appeal of the assessee is allowed, only for statistical purposes in the above terms.

In result the appeal filed by the assessee is allow for statistical purposes.

Order pronounced in the open court on 21-10-2025.

**Sd/-
(A. L. SAINI)
ACCOUNTANT MEMBER**

**Sd/-
(DINESH MOHAN SINHA)
JUDICIAL MEMBER**

Rajkot
दिनांक/ Date: 21/10/2025

Copy of the Order forwarded to

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

By Order

Assistant Registrar/Sr. PS/PS
ITAT, Rajkot