



**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. 636/RJT/2025

Assessment Year: (2019-20)

Chintan Dwarkadas Chotai 401, Chankya-A, Apartment, Nehrupark Society, Junagadh-362001	Vs.	DCIT/ACIT, Circle – 1(1), IT-Office, New Aayakar Bhavan, Vatiaka, Rajkot – 360001
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: AGYPC0041M		
(Appellant)		(Respondent)

Appellant by : Shri Haresh Mehta, Ld. AR
Respondent by : Shri Abhimanyu Singh Yadav, Ld. Sr. DR
Date of Hearing : 11/12/2025
Date of Pronouncement : 07/01/2026

आदेश / ORDER

Per, Dinesh Mohan Sinha, JM:

Captioned appeal filed by the assessee, pertaining to Assessment Year (AY) 2019-20, is directed against the order passed by the Learned Commissioner of Income Tax (Appeals), National Faceless Appeal Centre, Delhi [in short “the Ld. CIT(A)/NFAC”], dated 08.08.2025, which in turn arises out of an assessment order passed by Assessing Officer (in short “the AO-CPC”) u/s 147 r.w.s. 144 and 144B of the Income Tax Act, 1961 (hereinafter referred to as “the Act”), vide order dated 27.12.2024.

2. Grounds of appeal raised by the assessee, are as follows:

“1. In law and in the facts and circumstances of the appellant's case, the Learned Commissioner of Income Tax (Appeals) has failed to admit the appeal by refusing to condone the delay of 165 days, despite there being a reasonable and bona fide cause clearly explained by the Appellant. The order passed by the Hon'ble CIT(A) is therefore bad in law, void-ab-initio, and opposed to the principles of natural justice, and hence



deserves to be quashed. Therefore, the Appellant prays to allow him an opportunity to present his case by according this condonation.

2. In law and in the facts and circumstances of the appellants case, the Ld. Assessing Officer of the National Faceless Assessment Centre has grossly erred by alleging the Appellant of making a bogus donation to political party where the Appellant in fact has made donation to trust. This shows that Assessment was carried out in mechanical manner without appreciation of facts.

3. In law and in the facts and circumstances of the appellants case, the Ld. Assessing Officer of the National Faceless Penalty Centre has grossly erred by initiating penalty proceedings u/s 270A r.w.s 274 of the Act and alleging that the Appellant has underreported his income as consequence of misreporting and u/s 272A(1)(d) for noncompliance of Notice

4. The appellant craves to leave, to alter, to amend and/or withdraw any of the grounds or ground of appeal either before or at the time of appellate hearing.”

3. At the outset, that the appeal filed late by 165 days. The Ld. AR of the assessee has filed an application for condonation of delay in filing the appeal. The Ld.AR of the assessee submitted that the appeal was rejected due to delay in filing of the appeal. That the Ld.AR further explained that the Assessee filed Return of Income for A.Y.2019-20 on 28.08.2019 declaring gross total income of Rs.23,79,754/- and after claiming deductions under Chapter-VIA of Rs.2,72,482/-, total income is declared to Rs.21,37,160/-. The flagged information indicated that the assessee had claimed donation u/s 80G of the Act of Rs.2,50,000/-(eligible amount of donation @ 50% was Rs. 1,12,482/-) to the charitable trust, i.e. All India Education Charitable Trust during the assessment year 2019-20. Accordingly, the AO was concluded that the assessee had obtained accommodation entry in the form of charitable trust of Rs.1,12,482/- from All India Education Charitable Trust during the FY 2018-19 relevant to AY 2019-20. Therefore, proceedings u/s. 148 were initiated after following due process and after allowing opportunity to the assessee. It came to knowledge of department from credible evidences/ sources that a scam was going on in the form of donations to Political Parties for claiming bogus deduction u/s. 80GGC/80GGB of the Act and Charitable Organizations u/s 80G of the Act, which were then re-routed back to the donors in cash/RTGS/NEFT or other banking channels.



Discreet enquiries revealed that few political parties and charitable organizations were engaged in this huge tax evasion racket and were formed for the sole purpose of aiding and abetting tax evasion and earning commission in the process by their handlers. The information was received on the basis of the search conducted in the case of these political parties and charitable organizations on 02.02.2021 u/s 132 of the Act. The Search operation covered mainly 3 registered unrecognized Political Parties along with 2 Charitable Organizations run by two group of individuals. From the incriminating materials such bogus donation receipts, diaries containing details of commission charged and loose papers containing vital information of transmission of funds, digital data contained in mobile phones/hard-discs etc. being images/WhatsApp chats etc., found and seized uncovered that a four mentioned persons have floated the political parties as well as charitable organizations. In addition to the key persons controlling the political parties/charitable trust, essential role was played by large number of professionals including Chartered Accountants, high-salaried employees of private organizations, tax consultants etc., in this scam. The AO found that such professionals were colluding with the key persons in this elaborate scam to facilitate widespread tax evasion and electoral-funding fraud. The investigations revealed names of a large number of Chartered Accountants who were found to be involved in the scam, either certifying their bogus accounts to be true and enabling them to enjoy exemptions u/s 13A and u/s 12 of the Act, or by so liciting beneficiaries for the donation scam. The allegations were confirmed from multiple evidences found during the search and seizure action and statements recorded on oath of the key persons namely, Tribhawan Ramkalp Ojha, Saumil Bhadiadra, Ram Bhawa Ojha and Mahesh Kumar.

4. That a notice issued to assessee and the assessee has submitted reply but failed to submit the documentary evidences fro claiming deduction under chapter VIA.



Hence, as ex-parte order was passed with a disallowance of deduction claimed as donation political parties of Rs.1,12,482/-.

5. That the assessee filed an appeal against the order of the AO dated 08.08.2025 alongwith an application for condonation of delay, before the Ld.CIT(A). that the Ld.CIT(A) dismissed the appeal of the assessee, observing as follows:

“3. The appellant is a salaried individual, earning more than Rs. 2lac per annum his gross total income is around Rs. 24Lac. Apparently, he is a well educated person. The appellant is also aware of the benefits of section 80G of Income Tax Act, he has donated around Rs. 2.5lacs (which is around 10% of his returned income of Rs. 2137160/-) in order to claim deduction of section 80G. If such person makes a claim that he is not well aware of the income tax law and procedure, it cannot be accepted. Further, lack of knowledge cannot be an excuse for ignoring statutory notices and orders. This explanation cannot be a ground for condoning the delay of more than 160 days in filing the appeal. The appeal is not fit to be admitted and hence is being dismissed.”

6. That the assessee filed an appeal against the impugned order dated 27.12.2024 of the Ld.CIT(A), before this Tribunal.

7. The Ld.AR of the assessee further prayed for an opportunity may kindly be granted to explain the case before lower authorities.

8. On the other hand, the Ld.DR for the revenue relied on the order of the Ld.CIT(A).

9. We have heard both the parties and perused the material available on record. We note that the assessee has moved an application for condonation of delay along-with the appeal before the Ld.CIT(A). That the Ld.CIT(A) did not accepted explanation given in the application of condonation of delay and observed that the reasons are not fit to consider that the there is reasonable cause for condonation of delay. Hence the appeal is not admitted. We note that the assessee has filed return of income in time, the assessee has reply to the notice issued by the AO, unfortunately, the assessee could not furnished the receipt of donation given during the year, however, the assessee submitted paper-book wherein the receipt of donation is attached. We note that delay in filing the appeal before the



Ld.CIT(A), neither the deliberate nor due to negligence on the part of the assessee, therefore, the delay cause due to non-aware of proceedings going against the assessee. On become the aware the assessee filed the appeal before the Ld.CIT(A), *bonafide* reasons and circumstances beyond control of the assessee, in the interest of justice and quality, delay in filing the appeal before the Ld.CIT(A) is condoned. We find that section 253(3) of the Act empowers the ITAT, to admit the appeal after expiry of prescribed period. That there is a sufficient cause for not presenting the appeal within the prescribed period. It is also a settled position by Hon'ble Supreme Court in Collector, Land Acquisition Vs Mst. Katiji and others 1987 AIR 1353, 1987 2 SCC 387, taking into account of provision of section 253(5), and the decision of Hon'ble Supreme Court, we take judicious view and condoned the delay in this file. We further note that the assessee deserve an opportunity to explain the case before lower authorities. We set aside the order of Ld. CIT(A) and remit the matter back to the file of the AO for fresh adjudication on merit after giving due opportunity to the assessee of being heard. We have heard the assessee and directed to the assessee to participate in the hearing as may be fixed by the AO and do not seek unnecessary adjournment, which the AO shall be liberty to pass appropriate order in according to law.

10. In the result, appeal of the assessee, is allowed for statistical purpose.

Order is pronounced in the open court on 07/01/2026.

Sd/-
(Dr. Arjun Lal Saini)
Accountant Member

Rajkot

दिनांक/ Date: 07/01/2026

Copy of the Order forwarded to

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

Sd/-
(Dinesh Mohan Sinha)
Judicial Member

//True Copy//



6. Guard File

By Order

Assistant Registrar/Sr. PS/PS
ITAT, Rajkot