

**IN THE INCOME TAX APPELLATE TRIBUNAL
“D” BENCH, AHMEDABAD**

**BEFORE SHRI SIDDHARTHA NAUTIYAL, JUDICIAL MEMBER
&
SHRI NARENDRA PRASAD SINHA, ACCOUNTANT MEMBER**

I.T.A. No.1734/Ahd/2025

ShriVisha Oshval Jain Kelavani Mandal, Nr I BPatel, Primary School Nr Uni staffquarters, Nana bazaar TA Anand, VV Nagar Gujarat - 388120	Vs .	Income Tax Department, CIT (Exemption), Ahmedabad
[PAN No.AADTS8549M]		
(Appellant)	..	(Respondent)

Appellant by :	Shri Mehal Doshi, AR
Respondent by:	Shri Sher Singh, CIT-DR

Date of Hearing	20.01.2026
Date of Pronouncement	28.01.2026

ORDER

PER SIDDHARTHA NAUTIYAL - JUDICIAL MEMBER:

This appeal has been filed by the Assessee against the order passed by the Commissioner of Income Tax(Exemption) vide order dated 18.07.2025.

2. The assessee has taken the following grounds of appeal:-

“1. On the facts and in circumstances of the case as well as law on the subject, the learned Commissioner of Income Tax (Exemption) has erred in rejecting application for approval u/s 80G(5) of the Act.

2. On the facts and in circumstances of the case as well as law on the subject, the learned Commissioner of Income Tax (Exemption) has not provided reasonable opportunity of being heard as provided under Second Provisionally to Section 80G (ii)(b)(B)of the Act.

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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 is a charitable trust which had filed an application in Form No. 10AB seeking approval under clause (iii) of the first proviso to sub-section (5) of section 80G of the Income-tax Act, 1961 (“the Act”). The said application was taken up for consideration by the Commissioner of Income-tax (Exemptions). During the course of proceedings, the CIT(Exemptions) issued notices from time to time calling upon the assessee to furnish various details and documents as prescribed under Rule 11AA(2) of the Income-tax Rules, 1962, so as to enable him to verify the genuineness of the activities of the trust and compliance with the conditions laid down in section 80G(5) of the Act. However, as per the CIT(Exemptions), the assessee neither filed any submission nor produced the requisite documents in response to the notices issued, and no adjournment was sought.

4. In view of the continued non-compliance, the CIT(Exemptions) held that the mandatory conditions prescribed under section 80G(5) of the Act and Rule 11AA remained unfulfilled. While rejecting the application, the CIT(Exemptions) placed reliance on judicial precedents wherein it was held that the Commissioner is empowered to call for documents and information to satisfy himself about the charitable nature

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of the objects and the genuineness of the activities before granting registration. The CIT(Exemptions) also placed reliance on decisions wherein it was held that while considering applications for approval under section 10(23C) of the Act, the competent authority is entitled to examine accounts and other documents to verify the manner of functioning and the genuineness of the institution. Applying the ratio of the these judgments, the CIT(Exemptions) held that, in the absence of documentary evidence, he was unable to record satisfaction regarding the genuineness of the activities of the assessee trust and the fulfillment of the statutory conditions, and accordingly rejected the application filed under section 80G(5)(iii) of the Act and cancelled the provisional approval earlier granted.

5. Aggrieved by the said order of the CIT(Exemptions), the assessee filed an appeal before the Tribunal. Before us, the learned counsel for the assessee submitted that the trustees of the assessee trust could not comply with the notices issued by the CIT(Exemptions), which resulted in the rejection of the application. It was pleaded that one more opportunity may be granted to the assessee to place the relevant material on record so that the application could be examined afresh on merits.

6. We have heard the rival contentions and perused the material on record.

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7. It is an admitted position that the assessee did not comply with the notices issued by the CIT(Exemptions) during the proceedings for grant of approval under section 80G(5) of the Act. Even before us, the learned counsel for the assessee could not furnish any cogent or convincing reason explaining such repeated non-compliance before the CIT(Exemptions). At the same time, considering the fact that the rejection of the application has serious civil consequences for the assessee trust, we are of the view that one more opportunity should be afforded to the assessee to place all the requisite documents and explanations on record so that the matter can be decided on merits in accordance with law.

8. Accordingly, in the interest of justice, we set aside the impugned order passed by the CIT(Exemptions) and restore the matter to his file for de-novo consideration after granting reasonable opportunity of being heard to the assessee. However, since the assessee failed to show sufficient cause for the earlier non-compliance, the restoration is made subject to payment of cost of Rs.5,000/- by the assessee, which shall be payable to the Prime Ministers Relief Fund. The assessee is also directed to fully cooperate in the proceedings and to furnish all details and documents as may be called for.

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9. The appeal is allowed for statistical purposes, subject to the above condition.

This Order is pronounced in the Open Court on 28 /01/2026

Sd/-
(NARENDRA PRASAD SINHA)
ACCOUNTANT MEMBER

Ahmedabad; Dated 28 /01/2026

Neelesh, Sr. PS

True Copy

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त(अपील) / The CIT(A)-
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, अहमदाबाद / DR, ITAT, Ahmedabad
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt.Registrar)
आयकर अपीलीय अधिकरण, अहमदाबाद / ITAT, Ahmedabad