

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़  
IN THE INCOME TAX APPELLATE TRIBUNAL  
DIVISION BENCH, 'DB' AMRITSAR

BEFORE SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER &  
SHRI UDAYAN DASGUPTA, JUDICIAL MEMBER

आयकर अपील सं./ ITA No. 14/ASR/2025

निर्धारण वर्ष / Assessment Year: 2024-25

Baba Hazara Singh Kar Sewa Society, Jaspal Nagar, Sultan Wind Road, Amritsar 143001	Vs	The CIT, Exemptions, Chandigarh
स्थायी लेखा सं./PAN NO: AACTB9940N		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

**VIRTUAL HEARING**

Assessee by : Sh. Vinayak Malhotra, CA  
Revenue by : Sh. Farhat Khan, CIT DR

Date of Hearing : 02.02.2026  
Date of Pronouncement : 03.02.2026

**ORDER**

**Per Udayan Dasgupta, J.M.:**

This appeal is filed by the assessee against the order of the ld. CIT(E), Chandigarh, dated 06.11.2024 rejecting the application for approval u/s 80G(5)(iii) of the Income Tax Act, 1961 (*henceforth the Act*) filed by the assessee in form 10AB on 13/05/2024 due to the reasons that the activities carried out by the society are not charitable in nature as per provisions of section 80G(5) of the Act.

2. Brief facts emerging are that in course of proceedings for approval

u/s 80G(5) , various queries were raised and responded to by the assessee and from the objects contained in the MOA ( memorandum of association ) it transpired that the objects of the assessee society are mainly religious in nature and as such the same cannot be considered to be for charitable purpose, more so on the comments contained in the audit report in form 10B ( serial no 11 ) where the auditor has stated that the objects on which the audit report is complied are religious in nature .

3. In the instant case the society has accumulated an amount of Rs. 22.49 lakhs for the purpose of construction of “Gurdwara *Building*, which the Ld CIT opined that the same cannot be considered to be for charitable purpose. Subsequently, SCN dated 10<sup>th</sup> October, 2024 was issued to the assessee seeking necessary clarifications to which the assessee replied on 4<sup>th</sup> November, 2024.

4. Thereafter referring to *explanation 3 to Section 80G*, that *charitable purpose* does not include a purpose where the whole or substantially the whole is of religious nature and drawing reference to the Hon’ble Apex court judgment in the case of *Upper Ganges Sugar Mills v CIT [1997] 93 taxman 645 ( SC )* , the Ld CIT ( E ) refused the approval considering that the main purpose of this society is wholly or substantially of religious nature and as such approval u/s 80G (5)

cannot be granted.

5. In course of hearing the Ld AR submitted that that charitable activities has been carried out by organising of “ *langar* ”, *medical relief to the poor* , and *other charitable activities* which has not been given any cognizance by the Ld CIT(E) , but on requisition from the bench , he failed to produce any financials of the society to prove his case with relevant documentary evidence , regarding the expenses incurred for charitable activities.

6. However, he prayed before the bench than an opportunity may please be given so that necessary financials along with bank statements may be furnished in proof of actual expenditure being carried out for various charitable activities and the objects of the society clearly speaks of activities of charitable nature like providing relief to the poor, relief to destitutes, orphans and handicapped and for providing relief to women, children and senior citizens.

6. The Ld DR relied on the order of the Ld CIT ( E ) and prayed for rejection of the application for approval.

7. We have heard the rival contentions and we are of the opinion that the assessee may be allowed one more opportunity to produce the financials of the society as proof of the utilisation of the funds for charity as claimed in the objects and to produce all other documentary

evidences in support of his contentions of providing free food to people during floods, constructions of dharmsala for the benefit of public and all other related charitable work as claimed and we direct the assessee to furnish all supporting documentary evidences to prove his case to the satisfaction of the Ld CIT ( E ) .

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

Order pronounced on 03.02.2026.

SD/-

**(MANOJ KUMAR AGGARWAL)**  
**ACCOUNTANT MEMBER**  
"rkk"

SD/-

**(UDAYAN DASGUPTA)**  
**JUDICIAL MEMBER**

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

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्ड फाईल/ Guard File

आदेशानुसार/ By order,  
सहायक पंजीकार/ Assistant Registrar