



**IN THE INCOME TAX APPELLATE TRIBUNAL
JABALPUR BENCH "DB", JABALPUR**

**BEFORE SHRI KUL BHARAT, VICE PRESIDENT AND
SHRI, ANADEE NATH MISSHRA, ACCOUNTANT MEMBER**

ITA No. 34 & 41/JAB/2025
Assessment Year: 2023-24

Shree Agrawal Mandal Sanichara Bazar, Chhindwara, Madhya Pradesh-480001.	v.	The Commissioner of Income Tax (Exemption) 2 nd Floor, REAC, Bhopal- 462016.
PAN:AAJTS2477A		
(Appellant)		(Respondent)

Appellant by:	Shri Dhruv Sahu, CA		
Respondent by:	Shri Shrawan Kumar Meena, CIT-DR		
Date of hearing:	10	02	2026
Date of pronouncement:	19	02	2026

ORDER

PER KUL BHARAT, VICE PRESIDENT.:

The captioned appeals, preferred by the assessee, are directed against impugned order dated 21.12.2024 of learned Commissioner Income Tax (Exemption), Bhopal [hereinafter referred as the "Ld.CIT(E)"], thereby, rejecting the assessee's application for registration u/s 80G as well as u/s 12AB of the Income Tax Act, 1961 (hereinafter referred to as the "Act"), pertaining to the assessment year 2023-24. Both the appeals were heard together and are being disposed of by a common order for the sake of convenience.

2. First, we take up ITA. No.34/JAB/2025 u/s 80G of the Act. The Assessee has raised the following grounds of appeals: -

"1. That, based on facts and circumstances, the order of Hon'ble Ld. CIT (Exemption) rejecting the application filed for approval u/s 80G(5) is arbitrary, unjustified and unwarranted to the facts of the case.

2. That, based on the facts and circumstances of the case, Hon'ble Ld. CIT (Exemption) was grossly erred in rejecting the application filed for approval u/s. 80G(5) and also in cancelling the provisional approval granted.

3. The above grounds of appeal are without prejudice and notwithstanding each other. Any consequential relief, to which the appellant may be entitled under the law in pursuance of the aforesaid grounds of appeal, or otherwise, may thus be granted. The appellant craves leave to add to or alter, by deletion, substitution or otherwise, any or all of the above grounds of appeal and the factual and legal arguments against the rejection of approval by the Hon'ble CIT(E) at the time or before the course of appellate proceedings in the interest of natural justice."

3. Facts giving rise to the present appeal are that the assessee filed application seeking registration u/s 80G of the Act on 14.12.2022. The Ld. CIT(E) called upon the assessee to furnish relevant supporting documents/evidences on 04.11.2024. Thereafter, having considered the material placed on record rejected the application on the basis that he was not satisfied about the nature of activity being carried out by the assessee. Aggrieved against this, the assessee is in appeal before this Tribunal.

4. Apropos to the grounds of appeal, the Ld. Counsel for the assessee vehemently argued that the action of the Ld. CIT(E) is arbitrary and against the facts of the case. Ld. Counsel further reiterated the submissions as made in the written submissions. He further contended that the Ld. CIT(E) failed to consider the supporting evidences filed by the assessee. Ld. Counsel submitted that had Ld. CIT(E) considered the evidences regarding activities carried out by the assessee trust he would have allowed the application. Therefore, he prayed that the order of the Ld. CIT(E) may be set aside and the Ld. CIT(E) be directed to grant registration u/s 80G of the Act.

5. On the other hand, the Ld. CIT-DR opposed the submissions and supported the order of lower authorities and submitted that there is no infirmity in the order of the Ld. CIT(E).

6. We have heard rival submissions and perused the material available on record. We find that the Ld. CIT(E) at page no. 3 of his impugned order has decided the issue by observing as under:-

“A query letter dated 17/10/2024 has been issued to the assessee regarding to furnish all the information/documents on before 04/11/2024.

In response to the above notices the assessee society submitted his reply along with documents. During the examination of the information /documents submitted by the assessee society it is observed that no specific expenditure is debited in the P&L account regarding charitable activities for larger public interest as per object of the society during the F.Y. 2021-22 & 2022-23. The assessee fails to substantiate his claim with documentary evidences. Subsequently a query letter was issued on 17/10/2024 regarding to furnish some additional information specific to the expenditure claimed in the P&L account for the F.Y. 2021-22 & 2022-23. Vide notice dated 12/12/2024 the assessee society submitted his reply along with some evidences of charitable activities, which has been examined and placed on the record. The donation details list are not enclosed for verification therefore reconciliation with bank statement couldn't be done. Thus, the deposits in the bank stamen remain unexplained. On verifying the documents submitted by the assessee society it is observed that that after giving sufficient opportunity the assessee fails to furnish complete information as per original a query letter date 09/10/2024.

In view of above, due to non-compliance of n the assessee, the application of the assessee u/s 12AB & 80G of I.T Act is hereby rejected documents/information filed by hereby cancelled.”

7. From the above finding, it is clear that the application was rejected for want of requisite information or evidence. The Ld. Counsel for the assessee has drawn our attention towards the evidences filed before the Ld. CIT(E) in support of the activities carried out by the assessee. Having considered the nature of activity being carried out and the evidences filed in form of invoices etc. We are of the considered view that the assessee should be given an opportunity for explaining its case before the Ld. CIT(E) under the facts of the present case and to sub-serve the principles of natural justice. Therefore, the impugned order is

hereby set aside and restore the application filed by the assessee to the Ld. CIT(E) for considering the same afresh. Needless to say that the Ld. CIT(E) would afford reasonable opportunity of being heard to the assessee to explain its case. The assessee is also directed to extend full cooperation and furnish the necessary details as may be called for. Grounds of appeal of the assessee are allowed for statistical purposes.

8. Now, we take up ITA. No.41/JAB/2025 u/s 12AB of the Act. The assessee has raised following grounds of appeal: -

“1. That, based on facts and circumstances, the order of Hon’ble Ld. CIT (Exemption) rejecting the application filed for approval u/s 12A is arbitrary, unjustified and unwarranted to the facts of the case.

2. That, based on the facts and circumstances of the case, Hon’ble Ld. CIT (Exemption) was grossly erred in rejecting the application filed for approval u/s. 12A(l)(ac)(iii) and also in cancelling the provisional approval granted.

3. The above grounds of appeal are without prejudice and notwithstanding each other. Any consequential relief, to which the appellant may be entitled under the law in pursuance of the aforesaid grounds of appeal, or otherwise, may thus be granted. The appellant craves leave to add to or alter, by deletion, substitution or otherwise, any or all of the above grounds of appeal and the factual and legal arguments against the rejection of approval by the Hon’ble CIT(E) at the time or before the course of appellate proceedings in the interest of natural justice.”

9. Facts, in brief, are that application filed by the assessee seeking registration u/s 12AB of the Act was rejected by the Ld. CIT(E) on the ground that the assessee was not registered u/s 80G of the Act. Aggrieved, the assessee is in appeal before this Tribunal.

10. We have heard rival submissions and perused the materials available on record. The Ld. CIT(E) rejected the application for registration u/s 12AB of the Act, inter alia, by observing as under: -

“A query letter dated 17/10/2024 has been issued to the assessee regarding to furnish all the information/documents on before 04/11/2024.

In response to the above notices the assessee society submitted his reply along with documents. During the examination of the information /documents submitted by the assessee society it is observed that no specific expenditure is debited in the P&L account regarding charitable activities for larger public interest as per object of the society during the F.Y. 2021-22 & 2022-23. The assessee fails to substantiate his claim with documentary evidences. Subsequently a query letter was issued on 17/10/2024 regarding to furnish some additional information specific to the expenditure claimed in the P&L account for the F.Y. 2021-22 & 2022-23. Vide notice date d 12/12/2024 the assessee society submitted his reply along with some evidences of charitable activities, which has been examined and placed on the record. The donation details list are not enclosed for verification therefore reconciliation with bank statement couldn't be done. Thus, the deposits in the bank stamen remain unexplained. On verifying the documents submitted by the assessee society it is observed that that after giving sufficient opportunity the assessee fails to furnish complete information as per original a query letter date 09/10/2024.

In view of above, due to non-compliance of n the assessee, the application of the assessee u/s 12AB & 80G of I.T Act is hereby rejected documents/information filed by hereby cancelled.”

11. Apropos to the grounds the parties have adopted the same arguments as in ITA. No.34/JAB/2025. Considering the fact that the assessee was not granted adequate opportunity to sub-serve the principles of natural justice, we hereby set aside the impugned order and restore the application seeking registration u/s 12AB of the Act to the file of Ld. CIT(E) to decide the same afresh after affording adequate opportunity of being heard to the assessee. The assessee is also directed to extend full cooperation and furnish the necessary details as may be called for. The grounds raised by the assessee are allowed for statistical purposes.

12. In the result, the appeals of the assessee are allowed for statistical purposes.

Order pronounced in the open Court on 19/02/2026.

Sd/-
[ANADEE NATH MISSHRA]
ACCOUNTANT MEMBER

Sd/-
[KUL BHARAT]
VICE PRESIDENT

DATED: 19/02/2026

Vijay Pal Singh, (Sr. PS)

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent
3. The CIT (Judicial)
4. The PCIT
5. DR, ITAT, Jabalpur
6. Guard File

By order

// True Copy//

Assistant Registrar
ITAT, Jabalpur