

**IN THE INCOME TAX APPELLATE TRIBUNAL
"DB" BENCH, NAGPUR
BEFORE SHRI PAWAN SINGH, JUDICIAL MEMBER AND
SHRI KHETTRA MOHAN ROY, ACCOUNTANT MEMBER**

**ITA No. 199/NAG/2025 (AY: NA)
ITA No. 200/NAG/2025 (AY: NA)
(Physical hearing)**

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| Shri Navjyot Foundation, Navjyot Chouk, Bapat Chal, Maharashtra-441614. [PAN: ABGTS9013E] | Vs | CIT(Exemption), Room No. 322, 3 rd Floor, Income Tax Office, PMT Building, Shankar Seth Road, Maharashtra-411037 |
| Appellant / Assessee | | Respondent / Revenue |

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| Assessee by | Shri Piyush Madhawani, CA (Through Virtual) |
| Revenue by | Shri Pankaj Kumar, CIT-DR |
| Date of Institution | |
| Date of hearing | 23.02.2026 |
| Date of pronouncement | 23.02.2026 |

Order under section 254(1) of Income Tax Act

PER PAWAN SINGH, JUDICIAL MEMBER:

1. These two appeals by the assessee are directed against the separate orders Id. Commissioner of Income Tax (Exemption) [for short "CIT(E)"]. In ITA No. 199/Nag/2025, the assessee has challenged the rejection of application for registration of Trust under section 12AA/12AB of the Income Tax Act, 1961 (the Act). In ITA No. 200/Nag/2025 the assessee has challenged rejection of application for approval of fund under section 80G(5) of the Act. Both the appeals are interconnected, therefore with the consent of both the parties, both the appeals were heard together.

2. Rival submissions of both the parties have been heard and record perused. The Id. Authorised Representative (AR) of the assessee submits that assessee is a charitable Trust /Institution, filed application for registration of Trust under section 12AA/12AB on 26.06.2024. First notice of hearing was responded, however the assessee could not respond to second notice dated 20.01.2025 wherein certain details about the object and activities and other requirement was sought by the CIT(E). The assessee could not furnish such reply, resultantly the application of assessee was rejected. Once application under section 12AA/12AB was rejected another application for registration of fund under section 80G(5) was also rejected. The Id. A.R. submits that assessee is interested in pursuing the matter on merit and have good case on merits, if one more opportunity is allowed to the assessee. He undertakes on behalf of the assessee to be more vigilant in making timely compliance.
3. On the other hand, Id. CIT-DR for revenue submits that assessee has not responded in response to notice issued by CIT(E), therefore the assessee is not eligible for any further relief. Both the appeals may be dismissed.
4. We have considered the rival submissions of both the parties and have gone through the orders of lower authorities carefully. We find merit in the submission of Id. A.R. of the assessee that in response to show-cause notice, the assessee filed certain details vide reply dated 05.11.2024, however no compliance was made in response to show-cause notice dated 02.01.2025. Resultantly the application of assessee for registration under section 12AA/12AB was rejected. Considering the facts and circumstances

of the case in our view the assessee deserves one more opportunity to explain its object and activities for seeking registration under section 12AB, therefore matter is restored back to the file of CIT(E) to re-consider the application afresh. Needless to direct that before passing the order, the Id. CIT(E) shall allow fair and reasonable opportunity to the assessee.

5. In the result, ITA No. 199/Nag/2025 is allowed for statistical purposes.

ITA No. 200/Nag/2025

6. We find that this appeal relates to registration of Trust under section 80G(5) for approval. Considering the fact that we have already restored the application of assessee for registration under section 12AB, therefore this application is also restored to the file of Id. CIT(E) to be considered after passing order in application under section 12AA/12AB of the Act.
7. In result, both the appeals of assessee are allowed for statistical purposes.

Order was pronounced in the open Court on 23/02/2026.

Sd/–
KHETTRA MOHAN ROY
ACCOUNTANT MEMBER

Sd/–
PAWAN SINGH
JUDICIAL MEMBER

Nagpur, Dated: 23/02/2026

SK, Sr. PS

Copy of the order forwarded to:

- (1) The Assessee;
- (2) The Revenue;
- (3) The PCIT / CIT (Judicial);
- (4) The DR, ITAT, Nagpur; and
- (5) Guard file.

By Order

Senior Private Secretary
ITAT, Nagpur