

IN THE INCOME-TAX APPELLATE TRIBUNAL “C” BENCH,
MUMBAI

BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER
&
SHRI PRABHASH SHANKAR, ACCOUNTANT MEMBER

ITA No.7250/MUM/2025
(A.Y. - NA)

Council of All Khoja Shia Ishna Shehri Jamats 66 70 Hazrat Abbas as street, off Hazrat Imam Husein as Dongri, Mumbai - 400 009, Maharashtra	v/s. बनाम	Commissioner of Income Tax (Exemption), Mumbai, Room No. 601, Floor-6, Cumballa Hill, MTNL Building, Pepper Road, Nr. Gopalrao Deshmukh Marg, Cumballa Hill, Mumbai - 400 026, Maharashtra
स्थायी लेखा सं./जीआइआर सं./PAN/GIR No: AACTC1123E		
Appellant/अपीलार्थी	..	Respondent/प्रतिवादी

Assessee by :	Shri Mohit Balani,AR, (virtually present)
Revenue by :	Shri R A Dhyani,(CIT DR)

Date of Hearing	14.01.2026
Date of Pronouncement	18.02.2026

आदेश / ORDER

PER PRABHASH SHANKAR [A.M.] :-

The present appeal is filed by the assessee Trust against the order passed by the Learned Commissioner of Income-tax (Exemptions), Mumbai [hereinafter referred to as “CIT(E)”] pertaining to the order passed u/s. 12AB of the Income-tax Act, 1961 [hereinafter referred to as “Act”].



2. The grounds of appeal are as under:

1. *Learned CIT(E) has erred in law and on the facts of the case in passing the impugned order, rejecting the registration u/s 12A(1)(ac) of the Act.*
2. *Learned CIT(E) has erred in law and on the facts of the case in passing the order u/s 12AB of the Act in gross violation of principle of natural justice.*

3. Briefly stated facts of the case are that on verification of the application in Form 10AB filed by the applicant, it was found by the ld.CIT(E) that the application was not complete and all the documents required to be accompanying the application were not furnished. Hence, a notice was issued to the applicant which made submission from which it was noticed that as per the Income & Expenditure account for F.Y. 2022-23, the applicant trust had incurred expenditure of Rs. 23.41 lakh towards expenditure on properties out of total expenditure of Rs.23.47 lakh incurred for the year. It is noted that only Rs.6,487/- had been incurred other than expenditure on properties. Accordingly, another notice was issued to the applicant to furnish some additional details like details of expenditure on properties, financial statement statements for A.Y. 2022-23 to A.Y. 2025-26, proof of expenses, bank statement etc. However, no reply or response was submitted by it. Accordingly, a reminder was also issued to the applicant which filed certain details 24.09.2025. However, it was observed that the applicant had not



furnished the requisite details of expenditure on properties incurred in F.Y. 2022-23, instead the applicant has furnished the Ledger for various expenses incurred in F.Y. 2021-22. Further, the applicant was also requested to furnish proof of expenses like payment receipt, details of recipient, acknowledgement etc, instead the applicant had furnished copy of expenditure ledger. He therefore, concluded that the applicant had failed to furnish the requisite details and documents, which were essential for verifying the genuineness and bona fide nature of the trust's activities and resultantly, the application for grant of registration stands rejected on the grounds of non-compliance.

4. Before us, the ld.AR has requested to remand the entire issue back to the ld.CIT(E) with an assurance that the assessee would ensure submission of all requisitions of the CIT and cooperate in the proceedings. The ld.CIT(DR) did not raise any objection to this request.

5. As is apparent from the above discussion that the application for registration was rejected by the authority concerned only on account of lack of complete compliance. We are also of the view that following the principles of natural justice and fairplay, the assessee deserves one more opportunity in this regard. Thus, we set aside the impugned order and send back the entire matter for fresh consideration of the ld.CIT(E) to decide the matter after allowing necessary opportunity of hearing to the



assessee Trust. Needless to state ,the assessee would make necessary compliance without fail.

6. In the result, **the appeal is allowed for statistical purposes.**

Order pronounced in the open court on 18/02/2026.

Sd/-

NARENDER KUMAR CHOUDHRY

(न्यायिक सदस्य / JUDICIAL MEMBER)

Sd/-

PRABHASH SHANKAR

(लेखाकार सदस्य/ACCOUNTANT MEMBER)

Place: मुंबई/Mumbai

दिनांक /Date 18.02.2026

Lubhna Shaikh / Steno

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 अधिकरण DR, ITAT,
Mumbai
5. गार्ड फाईल / Guard file.

त्यापित प्रति //True Copy//
आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt. Registrar)
आयकर अपीलीय अधिकरण/ ITAT, Bench,
Mumbai.

