

**IN THE INCOME TAX APPELLATE TRIBUNAL
AMRITSAR BENCH, AMRITSAR.**

**BEFORE DR. DIPAK P. RIPOTE, ACCOUNTANT MEMBER
AND
SH. UDAYAN DASGUPTA, JUDICIAL MEMBER
(Physical Hearing)**

**I.T.A. No. 7 and 8/Asr/2026
Assessment Year: 2026-27**

Sh. Jinkushal Suri Foundation, SCF 99, Rose Garden Complex, Bathinda. [PAN:-AAITS6704M] (Appellant)	Vs.	CIT (Exemption), Chandigarh. (Respondent)
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Appellant by	Sh. Ashray Sarna, CA.
Respondent by	Mrs. Namita Pandey, CIT DR.

Date of Hearing	16.03.2026
Date of Pronouncement	17.03.2026

ORDER

Per: DR. DIPAK P. RIPOTE, A.M.:

These are two appeals filed by the Assessee against the separate orders of Id. Commissioner of Income Tax (Exemptions), passed u/s 12AA r.w.s. 12AB dated 15.12.2025 and 80G dated 15.12.2025 respectively.

2. The Assessee raised the following grounds of appeal:

“1. That the order. passed by the Hon'ble CIT Exemptions dated 15.12.2025 is against the law and facts of the case.

2. *That having regard to the facts and circumstances of the case, Hon'ble CIT Exemptions has erred in law and on facts in rejecting the order for approval for registration u/s 12A and without complying with the mandatory conditions' u/s 12A as envisaged under the Income Tax Act, 1961.*

3. *That having regard to the facts and circumstances of the case, Hon'ble CIT Exemptions has erred in law and on facts in rejecting the order for approval for registration u/s 12A of the Act, ignoring the facts of case and without observing the principles of natural justice.*

4. *That having regard to the facts and circumstances of the case, Hon'ble CIT Exemptions has erred in law and on facts in rejecting the application without giving proper opportunity of hearing.*

5. *That assessee request to add or amend any ground of appeal before the appeal is finally heard and disposed off.”*

Submission of Id.AR

3. The Id. AR filed paper book containing 140 pages. The Id. AR also filed a synopsis the relevant part of the synopsis is reproduced hereunder:

“8. It is now crystal clear from above para no. 7 that CIT (Exemptions), without applying mind on the information asked for by her vide notice dated 08.11.2025, has rejected the application purportedly on the grounds for which the CIT never required information to be provided to her. Thus, the order of the CIT (Exemptions) dated 15.12.2025 is not only arbitrary and devoid of

merit but also contrary to the notice dated 8.11.2025 (copy attached).

9. It is submitted and further clarified that the Hon'ble CIT (Exemptions), Chandigarh has nowhere asked about the acknowledgements from beneficiaries or schools in respect of scholarships paid to students. Hon'ble CIT (Exemptions), Chandigarh had nowhere asked for the Bills, vouchers, invoices to substantiate purchases of stationery, books, or medical expenses claimed. Beneficiary lists, sanction letters, medical prescriptions, hospital receipts, or utilization records, in the notice issued on 08.11.2025. No further notice or opportunity was provided to the assessee society to furnish the same. Had Hon'ble CIT (Exemptions), Chandigarh ever asked to provide for such information, assessee society would have provided the requisite information. Thus, the application has been rejected without any Show Cause notice and on the reasons for not providing the documents and details which were never called by the Hon'ble CIT (Exemptions), which is contrary to the principles of natural justice.

10. It is further submitted that the Hon'ble CIT (Exemptions), Chandigarh on page 11 of the rejection order "that Mere reflection of cash withdrawals or cheque payments in the bank statement, without any corresponding documentary evidence, does not establish the carrying out of genuine charitable activities. In the absence of supporting documents and verifiable evidence, the

applicant has not been able to establish the genuineness of its activities as required under section 12AB."

11. It is submitted and explained in response to the findings of CIT (Exemptions) as mentioned in above para no. 10 that the Hon'ble CIT (Exemptions), Chandigarh, in her notice dated 08.11.2025, never asked for above information, rather asked the assessee to submit the bank statement with narrations. The assessee society duly complied and submitted the bank statements highlighting the entries and giving proper narrations regarding the funds utilized. Further the MOA of the society, photograph and newspaper cuttings were also submitted. Thus, it is amply clear that the assessee society has utilized the funds only for the fulfillment of the objects of the society."

3.1 The Id. AR further submitted that the Id. CIT(E) had given only one opportunity and dismissed the assessee's application without allowing assessee to explain the genuineness of the activities.

3.2 The Id. AR vehemently submitted that assessee may be provided one more opportunity.

Submission of Id. DR

4. The Id. Commissioner of Income Tax (DR) vehemently argued and supported the order of the Id. CIT(E).

Findings and Analysis

5. We have heard both the parties and perused the materials on record. We observed that the assessee provided scholarship to poor students, provided stationery and books, provided medical aids and financial help to poor patients. In this regard assessee had submitted copies of bank statements before the Id. CIT(E). The Id. CIT(E) has cancelled registration granted u/s 12AA only on the ground that assessee had not filed evidence of the activities claimed.

5.1 On perusal of the bank statements it seems that assessee has provided scholarships to students however, Id. CIT(E) has alleged that list of beneficiaries was not filed. Thus, the application of assessee was rejected only because of assessee could not file documentary evidences of the charitable activity performed.

5.2 In the facts and circumstances of the case, in the interest of justice, we set aside the order of Id. CIT(E). The Id. CIT(E) to adjudicate de novo. We also directed the assessee to file all necessary details before the Id. CIT(E) within three effective opportunities. The Id. CIT(E) shall provide opportunity of hearing to the assessee. Accordingly, the grounds of the appeal raised by the assessee are allowed for statistical purposes.

ITA No.8/Asr/2025

6. This appeal of the assessee relates to the rejection of application for approval u/s 80G. The ground of appeal taken by the assessee is as under:

“1. That the order passed by the Hon'ble CIT Exemptions dated 15.12.2025 is against the law and facts of the case.

2. That having regard to the facts and circumstances of the case, Hon'ble CIT Exemptions has erred in law and on facts in rejecting the order for approval for registration u/s 80G and without complying with the mandatory conditions u/s 80G as envisaged under the Income Tax Act, 1961.

3. That having regard to the facts and circumstances of the case, Hon'ble CIT Exemptions has erred in law and on facts in rejecting the order for approval for registration u/s 80G of the Act, ignoring the facts of case and without observing the principles of natural justice.

4. That having regard to the facts and circumstances of the case, Hon'ble CIT Exemptions has erred in law and on facts in rejecting the application without giving proper opportunity of hearing.

5. That assessee request to add or amend any ground of appeal before the appeal is finally heard and disposed off.”

7. We have already set aside the matter to the file of the ld. CIT(E) in the case of ITA 7/Asr/2025 in respect of this assessee and consequently in ITA 8/Asr/2025

application for approval u/s 80G is also *mutatis mutandis* shall apply to be decided in the light of our above observation in ITA 7/Asr/2025.

7.1 As such, this appeal is also set aside and allowed for statistical purposes.

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

Order pronounced on 17.03.2026 in the open Court.

Sd/-

(UDAYAN DASGUPTA)
Judicial Member

Sd/-

(DR. DIPAK P. RIPOTE)
Accountant Member

AKV

Copy of the order forwarded to:

- (1)The Appellant
- (2) The Respondent
- (3) The CIT
- (4)The DR, I.T.A.T.

True Copy
By order