

**IN THE INCOME TAX APPELLATE TRIBUNAL  
AHMEDABAD “SMC” BENCH, AHMEDABAD**

**BEFORE DR. BRR KUMAR, VICE PRESIDENT &  
Ms. SUCHITRA KAMBLE, JUDICIAL MEMBER**

**ITA No.1745/Ahd/2024  
Assessment Year: 2017-18**

Parag Dave, FP 11/1, Ground Floor, Nr. Jahnvi Bungalow, Opp. Grand Bhagwati Hotel Road, Bodakdev, Ahmedabad – 380 054. <b>[PAN – AAPPD 9907 Q]</b> (Appellant)	Vs.	The Deputy Commissioner of Income Tax, Circle – 3(1)(1) Ahmedabad. Previously DCIT, Circle-3(3), Ahmedabad. (Respondent)
Assessee by	Ms. Rachna Khandhar, AR	
Revenue by	Adjournment Application (filed by Sr. DR)	
Date of Hearing	11.03.2025	
Date of Pronouncement	15.04.2025	

**ORDER**

**PER SUCHITRA KAMBLE, JUDICIAL MEMBER:**

This appeal is filed by the Assessee against order dated 25.10.2023, passed by the CIT(A), National Faceless Appeal Centre (NFAC), Delhi for the Assessment Year 2017-18.

2. The assessee has raised the following grounds of appeal:

- “1. *The CIT(A) erred both in law and on facts in rejecting the claim of deduction u/s.35(1)(ii) of Rs.54,25,000.00 in respect of amount of Rs.31,00,000.00 contributed by the appellant through RTGS merely on irrelevant and untenable grounds ignoring the documents received by the appellant produced before him. On the facts and in the circumstances of the case and the legal inference, the disallowance is patently wrong. It be so held now and deduction be granted as claimed.*
2. *The CIT(A) erred both in law and on facts in not appreciating that the appellant submitted various documents like copies of certificates associated with Arvindo Institute of Applied Scientific Research Trust*

*which it received on payment of contribution and appellant did all that was within its domain and furnished the papers issued to it based on which, the appellant made the contribution in good faith. The rejection of the claim of the appellant on the ground that appellant did not try to verify the facts from website of Income Tax Department. It be so held now.*

3. *The CIT(A) further erred both in law and on facts in observing that appellant made a bogus claim merely on the basis that as per letter received from CBDT no certificate under section 35(1)(ii) was issued. The CIT(A) erred in not accepting the reply of appellant in toto. It be so held now and disallowance made be deleted.*
4. *The CIT(A) erred in law and on facts in making various observations in the assessment order which are irrelevant and untenable when appellant had cooperated with AO by furnishing all the evidences and answers on facts which ought to be considered which AO has failed to consider. It be so held now and deduction rejected for no fault of appellant be allowed as claimed.”*

3. The assessee is engaged in the business of Soil Testing, Building Material Testing like cement, tiles, bricks, steel etc. and land survey work and non-destructive testing works. The return of income was filed by the assessee on 26.09.2017 declaring total income of Rs.56,55,070/-. The case was selected for complete scrutiny and notice under Section 143(2) of the Income Tax Act, 1961 was sent on 13.08.2018. The Assessing Officer, after perusing the statement of total income and Annexure-4 of Column No.19 in the Form No.3CB in respect of amount admissible under Section 35(i)(ii) of the Act observed that the assessee claimed deduction under Section 35(1)(ii) of the Act of Rs.54,25,000/- being 175% of Rs.31,00,000/- for donation given to Shri Arvindo Institute of Applied Scientific Research Trust. After issuing show cause notice, the assessee did not respond and hence the Assessing Officer made disallowance of Rs.54,25,000/- which was claimed under Section 35(1)(ii) of the Act by the assessee.

4. Being aggrieved by the Assessment Order, the assessee filed appeal before the CIT(A). The CIT(A) dismissed the appeal of the assessee.

5. There is a delay of 282 days in filing the present appeal for which the assessee has filed the delay condonation application thereby stating that by oversight the signed appeal documents were not handed over to the Authorised Representative by the Clerk of the assessee and, therefore, the delay occurred. The requisite details appear to be genuine and reasonable and hence delay is condoned.

6. The Ld. AR submitted that the Assessing Officer as well as the CIT(A) was not justified in disallowing the deduction under Section 35(1)(ii) of the Act. The Ld. AR submitted that the CIT(A) has not appreciated various documents like copies of certificates associated with Arvindo Institute of Applied Scientific Research Trust which it received on payment of contribution and the assessee did all that was within its domain and furnished the papers issued to it based on which the assessee made the contribution in good faith. The assessee made a bogus claim merely on the basis that as per letter received from CBDT no certificate under Section 35(1)(ii) of the Act was issued. This observation of the CIT(A) is not justifiable.

7. The Ld. DR submitted that the Assessing Officer as well as the CIT(A) has categorically mentioned that the said Arvindo Institute of Applied Scientific Research Trust was approved till 31.03.2006 which was reflected in the documents which was reproduced in the Assessment Order. The assessee has totally ignored this fact and has made donation which is 175% more solely to obtain weighted deduction.

8. We have heard the Ld. AR and perused all the relevant material available on record. The said Arvindo Institute of Applied Scientific Research Trust was earlier approved under Section 35(1)(ii) of the Act which expired on 31.03.2006 and, thereafter, this entity being not recognised for purpose of Section 35(1)(ii) of the Act, is not eligible to raise donations for undertaking Scientific Research. The assessee, at no point of time, can state that he was not aware about this position as the assessee is a Science Graduate conversant with financial updates and is very well aware about the business and the approval of the CBDT for this particular Institute up till 2006. The

Assessing Officer as well as the CIT(A) has rightly disallowed the deduction. The Assessing Officer in Assessment Order itself has pointed out the recognition letter of the said Institute which was not issued by BSIR and, therefore, the assessee was well aware about the position of the said Trust. Thus, the CIT(A) has rightly dismissed the appeal of the assessee. There is no need to interfere with the findings of the CIT(A).

9. In the result, appeal filed by the assessee is dismissed.

Order pronounced in the open Court on this 15<sup>th</sup> April, 2025.

Sd/-  
**(DR. BRR KUMAR)**  
Vice President

Sd/-  
**(SUCHITRA KAMBLE)**  
Judicial Member

**Ahmedabad, the 15<sup>th</sup> April, 2025**

**PBN/\***

Copies to: (1) *The appellant*  
(2) *The respondent*  
(3) *CIT*  
(4) *CIT(A)*  
(5) *Departmental Representative*  
(6) *Guard File*

*By order*

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*Assistant Registrar  
Income Tax Appellate Tribunal  
Ahmedabad benches, Ahmedabad*