

**IN THE INCOME-TAX APPELLATE TRIBUNAL, SURAT BENCH, SURAT
BEFORE MS SUCHITRA RAGHUNATH KAMBLE, JUDICIAL MEMBER &
SHRI BIJAYANANDA PRUSETH, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA Nos.293 to 295/SRT/2025

(Hybrid Hearing)

Nirangdin Trust, 12, P. K. Vakil Atashbehram, P. K. Vakil Street, Shahpore, Gujarat – 395003	Vs.	The CIT(Exemption), Ahmedabad
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: AABTP1097M		
(Appellant)		(Respondent)

Appellant by	Shri Rasesh Shah, CA
Respondent by	Shri Mukesh Jain, CIT-DR
Date of Hearing	05/06/2025
Date of Pronouncement	11/06/2025

आदेश / O R D E R

PER BIJAYANANDA PRUSETH, AM:

These three appeals emanate from the separate orders dated 30.03.2024, 16.12.2024 and 21.12.2024 passed by the Commissioner of Income-tax (Exemption), Ahmedabad [in short “the CIT(E)”]. In ITA No. 295/SRT/2025, the appeal is against rejection of application for registration u/s 12A of the Income-tax Act, 1961 (for short, ‘the Act’), whereas in ITA Nos. 293/SRT/2025 and 294/SRT/2024, the appellant has agitated against rejection of its application for final/regular registrations u/s 12A and 80G(5) of the Act.

2. The appeal filed by the assessee in ITA No.295/SRT/2025 is barred by 280 days in terms of provisions of section 253(3) of the Act. The assessee has

filed an affidavit for delay in filing of appeal before the Tribunal. In the affidavit, it has been stated that the CIT(E) rejected the application in Form No.10AB u/s 12A(1)(ac)(iii) of the Act by passing an ex parte order. The provisional registration was granted from AY.2022-23 to 2024-25 and the assessee was required to apply for permanent registration on or before 30.09.2024. Initially, the assessee was not contemplated to file the appeal under the honest belief that registration would be granted by filling new application, for which there was time till 30.09.2024. The new application filed on 26.06.2024 was also rejected on the grounds that earlier application was rejected. The assessee filed appeals against the subsequent orders dated 16.12.2024 and 21.12.2024 passed by CIT(E). In view of the facts, it was submitted that the delay in filing appeals was not intentional, and assessee was prevented by sufficient and reasonable cause for not filing the appeal in time.

3. On the other hand, the learned Commissioner of Income-tax - Departmental Representative (Id. CIT-DR) for the revenue submitted that the Bench may decide the application as it thinks fit.

4. We have considered the reasons given by the Id. AR and perused the accompanied documents along with the affidavit. We find that the delay in filing the appeal was not deliberate and intentional on the part of assessee. Moreover, the assessee is not going to be benefitted by filling appeal belatedly. It is now fairly settled that when technical consideration and cause

of substantial justice are pitted against each other, the cause of substantial justice may be preferred. Hence, delay in filling the appeal is condoned and we proceed to decide the case on merit.

5. The grounds of appeal raised by the assessee in ITA No.295/SRT/2025 are as follows:

“1. On the facts and in circumstances of the case as well as law on the subject, the learned CIT(E) has erred in rejecting the application of assessee for registration u/s. 12AB of the I.T. Act, 1961 and also provisional registration granted earlier vide order dated 31.05.2021 without giving reasonable and sufficient opportunity of being heard.

2. It is therefore prayed that order of CIT(E), passed u/s. 12AB of the I.T. Act, 1961 may be set aside and he may be directed to pass fresh order granting approval u/s. 12AB.

3. Appellant craves leave to add, alter or delete any ground(s) either before or in the course of hearing of the appeal.”

6. The brief facts of the case are that the assessee filed an application for registration/incorporation in Form No.10AB u/s 12A(1)(ac)(iii) of the Act. The CIT(E) issued notices on 22.11.2023 and 02.03.2024. He has discussed legal background of Rules 12A(1)(ac), 17A(1), 17A(2) along with section 12AB of the Act. He noted that the date of application for registration for approval in Form No.10AB u/s 12A(1)(ac)(iii) of the Act was 29.09.2023 and the date of provisional approval was 31.05.2021 for the period from AYs.2022-23 to 2024-25. The assessee was requested to submit certain details/documents vide notice dated 22.11.2023. In response to the said notice, assessee filed its part details on 14.12.2023. Further, the final opportunity was given on 02.03.2024 and the assessee was requested to specifically submit requisite

details/documents on or before 07.03.2024, but the assessee failed to do. The assessee was asked to produce copy of the original trust deed/PTR along with self-certified copies of registration with the Registrar of Companies or Registrar of Public Trusts. However, the assessee has not furnished self-certified copy of registration, but it has furnished letter from Charity Commissioner on 12.10.1953, which was moved for amendment in Charitable Trust. The said letter was not properly legible and there was no mention of the objects of trust. Thereafter, the CIT(E) examined the application based on materials on record and held that due to failure of assessee to file documentary evidences, he was unable to be satisfied about (i) genuineness of the activities of the trust or institution, (ii) that the activities of trust or institution are in consonance with the objects of the trust or institution and (iii) that other laws material for the purpose of achieving objects are complied with. The CIT(E) rejected the application filed in Form 10AB for approval sub-clause (iii) of clause (ac) of sub-section (1) of section 12A of the Act and also cancelled the provisional registration.

7. Aggrieved by the order of CIT(E), the assessee filed the appeal before this Tribunal. The learned Authorized Representative (Id. AR) argued that the Id. CIT(E) has erred in refusing first application as the assessee was very old trust and registered by the Charity Commissioner vide Registration No.40048 on 18.04.1953. The certificate of registration from the Charity Commissioner was filed along with both applications. At the time of new proceedings, the

assessee filed copies of trust deed and certificate from the Charity Commissioner. The assessee had not availed extension granted by CBDT Circular for fresh application till 30.09.2024 because provisional registration was earlier granted till AY.2024-25. The Id. AR submitted that as the case has been decided without considering the merit of the case, the matter may be set aside to the file of CIT(E). He submitted that the order passed by CIT(E) is clearly violative of the principles of natural justice. He also submitted that the assessee is now ready with all details in support of the application filed by it. It was, therefore, requested that in the interests of justice, one more opportunity should be given to the assessee to plead its case on merit before the CIT(E).

8. On the other hand, the learned Commissioner of Income-tax - Departmental Representative (Id. CIT-DR) for the revenue submitted that the Tribunal may decide the matter as it thinks fit.

9. We have heard both parties and perused the materials available on record. The CIT(E) issued two notices on 22.11.2023 and 02.03.2024, but, there was only part compliance from the assessee. The CIT(E) has observed that the assessee failed to file documentary evidence to enable him to satisfy about the genuineness of the activities of the trust and whether the activities are in consonance with the objects of the trust. The Id. AR has contended before us that the assessee is ready to submit all details and evidences needed by the CIT(E) and one more opportunity may be given to the

assessee. We find that assessee could not pursue its case effectively before the CIT(E) by filing necessary evidences and documents. We are of the view that one more opportunity should be given to the assessee to file relevant documents/evidences and to plead its case before the CIT(E). It is settled law that principles of natural justice requires that the affected party is granted sufficient opportunity of being heard to contest his case. Therefore, without delving much into the merits of the case, in the interest of justice, we set aside the order of CIT(E) and remit the matter back to the file of CIT(E) with a direction to pass fresh order in accordance with law after granting adequate opportunity of hearing to the assessee. The assessee is directed to be more vigilant and diligent and to furnish all the details and explanations as needed by the CIT(E) by not seeking adjournment without valid reasons. With these directions, the grounds of appeal are allowed for statistical purposes.

10. In the result, appeal filed by the assessee is allowed for statistical purposes.

ITA Nos.293 & 294/SRT/2025:

11. The grounds of appeal in ITA No.293/SRT/2025 are as follows:

"1. On the facts and in circumstances of the case as well as law on the subject, the learned CIT(E) has erred in rejecting the application of assessee for registration/s 12AB of the I.T. Act, 1961.

2. It is therefore prayed that order of CIT(E), passed u/s 12AB of the I.T. Act, 1961 may be set aside and he may be directed to pass fresh order granting approval u/s12AB.

3. Appellant craves leave to add, alter or delete any ground(s) either before or in the course of hearing of the appeal."

12. The grounds of appeal in ITA No.294/SRT/2025 are as follows:

“1. On the facts and in circumstances of the case as well as law on the subject, the learned CIT(Exemption) has erred in rejecting assessee’s application in Form No. 10AB for registration u/s 80G(5)(iii) on the ground that assessee’s application for registration u/s 12AB was rejected. Assessee submits that the assessee has filed for appeal against the refusal of registration/s 12AB by Ld.CIT(Exemption).

2. It is therefore prayed that order of CIT(Exemption) passed u/s 80G(5) of the I.T. Act, 1961 may please be set aside and he may be directed to pass fresh order granting approval u/s 80G(5).

3. Appellant craves leave to add, alter or delete any ground(s) either before or in the course of hearing of the appeal.”

13. The appeals filed by assessee in ITA Nos.293 and 294/SRT/2025 are barred by 5 days in terms of provisions of section 253(3) of the Act. The Id. AR filed affidavits and requested that the delay was due to Saturday and Sunday on 1st and 2nd March and the small delay may be condoned in the interests of justice and the appeal may be admitted for hearing. On the other hand, Id. CIT-DR submitted that the Bench may decide the matter as it thinks fit. We have heard both the parties on this preliminary issue of delay of 5 day. We find that the small delay was neither deliberate nor intentional. Hence, we condone the delay of 5 day and admit both appeals for hearing.

14. In ITA No.293/SRT/2024, the CIT(E) has issued two notices of hearing on 04.09.2024, 24.10.2024 and in ITA No.294/SRT/2024, only one notice of hearing was issued on 18.09.2024 respectively. In absence of necessary details and documents, the CIT(E) proceeded to dismiss both appeals. We have already set aside the order of Id. CIT(E) wherein he rejected the application of registration of trust in ITA No.295/SRT/2025 (supra). These are

related appeals. Hence, the orders of CIT(E) are also set aside and remitted to the file of CIT(E) for de novo order after granting reasonable and sufficient opportunity of being heard to the assessee. For statistical purposes, the appeals of the assessee are treated as allowed.

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

16. In the combined result, appeals filed by the assessee are allowed for statistical purposes.

Order is pronounced under provision of Rule 34 of ITAT Rules, 1963 on 11/06/2025.

Sd/-
(SUCHITRA R. KAMBLE)
JUDICIAL MEMBER

Surat

दिनांक/ Date: 11/06/2025

SAMANTA

Copy of the Order forwarded to:

1. The Assessee
2. The Respondent
3. The CIT(A)
4. CIT
5. DR/AR, ITAT, Surat
6. Guard File

// TRUE COPY //

Sd/-
(BIJAYANANDA PRUSETH)
ACCOUNTANT MEMBER

By Order

Assistant Registrar/Sr. PS/PS
ITAT, Surat