

**IN THE INCOME-TAX APPELLATE TRIBUNAL, SURAT BENCH, SURAT**  
**BEFORE DINESH MOHAN SINHA, JUDICIAL MEMBER &**  
**SHRI BIJAYANANDA PRUETH, ACCOUNTANT MEMBER**  
**ITA Nos.697/SRT/2025 (AY: 2025-26)**  
**(Hybrid hearing)**

Shree Siddhivinayk Charitable Trust Jiyav, Patel 125, Dairy Faliya, Bhestan, Surat - 395023	<b>Vs.</b>	The CIT (Exemption), Ahmedabad
<b>स्थायीलेखासं./जीआइआरसं./PAN/GIR No: AAWTS0970P</b>		
<b>(अपीलार्थी/Appellant)</b>		<b>(प्रत्यर्थी/Respondent)</b>

**ITA Nos.698/SRT/2025 (AY: 2025-26)**

Katargam Industrial Estate Shedholders Associations, Shed No.939, Road No.22, G.I.D.C Katargam, Surat - 395004	<b>Vs.</b>	The CIT (Exemption), Ahmedabad
<b>स्थायीलेखासं./जीआइआरसं./PAN/GIR No: AAATK2511Q</b>		
<b>(अपीलार्थी/Appellant)</b>		<b>(प्रत्यर्थी/Respondent)</b>

<b>Appellant by</b>	Shri P. M. Jagasheth, CA
<b>Respondent by</b>	Shri Mukesh Jain, CIT-DR
<b>Date of Hearing</b>	09/09/2025
<b>Date of Pronouncement</b>	10/09/2025

**आदेश / O R D E R**

**PER BIJAYANANDA PRUETH, AM:**

These two appeals emanate from the orders dated 21.11.2024 and 13.11.2024 passed by the Commissioner of Income-tax (Exemption), Ahmedabad [in short "CIT(E)"], wherein CIT(E) rejected assessee's application filed in Form No.10AB u/s 12A(1)(ac)(iii) of the Income-tax Act (in short 'the Act') and also cancelled the provisional registration granted earlier. Though the assessees are different, the issues are common and, therefore, with the

consent of both parties, the appeals are clubbed and heard together and decided by a common order for the sake of convenience and brevity. ITA No. 697/SRT/2025 is taking as 'lead' case.

2. The grounds of appeal in ITA No. 697/SRT/2025 are as follows:

*"1. On the facts and in the circumstances of the case as well as the law on the subject, the learned Commissioner of the Income Tax (Exemption), Ahmedabad has erred in rejecting Application for grant of final registration of trust u/s.12A(1)(ac)(iii) of the Income Tax Act, 1961 and the provisional approval u/s.12A(1)(ac)(ii) granted earlier has also been cancelled,*

*2. On the facts and in the circumstances of the case as well as the law on the subject, the learned Commissioner of the Income Tax (Exemption), Ahmedabad has erred in not granting adequate opportunity to hear and passed the order, hence, the principal of natural justice is not abide.*

*3. On the facts and in the circumstances of the case as well as the law on the subject. the appellant Trust is qualifying for registration u/s.12A(1)(ac)(iii) of the Income Tax Act, 1961.*

*4. It is therefore prayed that the CIT(Exemption) should be directed passed u/s. 124(1)(ac)(iii) of the Income Tax Act, may please be set aside to the file of the CIT(Exemption) with appropriate direction.*

*5. It is therefore prayed that the above addition may please be deleted as learned members of the tribunal may deem it proper.*

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

3. The appeal filed by the assessee is late by 146 days in terms of provisions of section 253(3) of the Act. The assessee has filed an affidavit, giving reasons for delay in filing the appeal before this Tribunal. In the affidavit for ITA No.697/SRT/2025, the assessee stated that the CIT(E) passed the order on 21.11.2024 and it was required to file appeal before the Tribunal on 20.01.2025. It is submitted that the hearing notices were issued to the earlier consultant's e-mail id., i.e., 1869@capk.in and VS.DYYE@Yahoo.com.

This e-mail id was created primarily for return filing purposes and not for regular use. The consultant was unaware of the hearing notices and hence unable to comply with them timely. Subsequently, the assessee came to know about the rejection of application u/s 12A(1)(ac)(iii) of the Act. Thereafter, the fresh application in Form 10AB was submitted on 02.12.2024. The CIT(E) issued show cause notices on 14.06.2025, wherein it was asked whether any appeal had been filed before the Tribunal. The reply was filed on 26.06.2025. Against the rejection order passed by CIT(E), this appeal has been filed with a delay of 157. The assessee submitted that the CIT(E) rejected the current application on the ground that the earlier application has already been rejected and also cancelled the provisional registration. It is submitted by the assessee that the delay in submission of the appeals are due to good and sufficient reasons, therefore, the delay may be condoned and admitted for hearing.

4. 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 case, as it things fit.

5. We have heard both the parties and perused the materials available on record. We find that the delay in filing this 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.

**ITA No.697/SRT/2025 (AY 2025-26):**

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 06.09.2024 and 25.10.2024. The applicant had neither filed any submission nor sought any adjournment. In absence of requisite details, the CIT(E) referred to Rule 17A(2) of the Act and observed that the details and documents were not submitted before him. The CIT(E) relied on the decisions of Hon'ble Supreme Court in case of CIT vs. Dawoodi Bohra Jamat, in Civil Appeal No.2492 of 2014 and M/s New Nobel Educational Society, in Civil Appeal No.3795 of 2014. The CIT(A) has thereafter observed that due to failure of assessee to file documentary evidences, he was unable to be satisfied about (i) genuineness of the activities of the 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 appeal before the Tribunal. The Id. AR submitted that the CIT(E) was issued only two notices. 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) for considering the case on merit. The Id. AR of the assessee submitted that the ex parte order by CIT(E) is clearly violative of the principles of natural justice. He, 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 did not have any objection if the matter is restored to the CIT(E) for fresh adjudication.

9. We have heard both parties and perused the materials available on record. The CIT(E) issued two notices on 06.09.2024 and 25.10.2024 but there was no compliance from the assessee. The CIT(E) has observed that the assessee-trust 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 evidence needed by the CIT(E) and one more opportunity may be given to the assessee. We find that assessee could not pursue its case before the CIT(E) by filing necessary evidence 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 on merit before the CIT(E). It is settled law that principles of natural justice require that the affected party is granted sufficient opportunity of being heard to contest its case. Therefore,

without delving much into the merits of the case, in the interests of justice, we set aside the order of CIT(E) and remit the matter to the file of CIT(E) with a direction to pass de novo 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 of the assessee is allowed for statistical purpose.

**ITA No.698/SRT/2025 (AY 2025-26):**

11. The grounds of appeal raised by the assessee are as follows:

*“1. On the facts and in the circumstances of the case as well as the law on the subject, the learned Commissioner of the Income Tax (Exemption), Ahmedabad has erred in rejecting Application for grant of final registration of trust u/s. 12A(1)(ac)(iii) of the Income Tax Act, 1961 and the provisional approval u/s. 12A(1)(ac)(iii) granted earlier has also been cancelled.*

*2 On the facts and in the circumstances of the case as well as the law on the subject, the learned Commissioner of the Income Tax (Exemption), Ahmedabad has erred in not granting adequate opportunity to hear and passed the order, hence, the principal of natural justice is not abide.*

*3. On the facts and in the circumstances of the case as well as the law on the subject, the appellant Trust is qualifying for registration u/s. 12A(1)(ac)(iii) of the Income Tax Act, 1961.*

*4. It is therefore prayed that the CIT(Exemption) should be directed passed u/s. 12A(1)(ac)(iii) of the Income Tax Act, may please be set aside to the file of the CIT(Exemption) with appropriate direction*

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

12. There is a delay of 165 days in filing the appeal. The appellant has filed an application for condonation of delay, which is similar in context to the

application in ITA No.697/SRT/2025 (supra). The delay is condoned for the same reasons mentioned in para 5 of this order.

13. Since the issue involved in this appeal is similar, hence, following the reasons given in ITA No.697/SRT/2025 (supra), the order of CIT(E) is also set aside and remitted to the file of CIT(E) for de novo adjudication after granting reasonable and sufficient opportunity of being heard to the appellant. For statistical purposes, this appeal of the assessee is also treated as allowed.

14. In the result, appeal of the assessee is also allowed for statistical purposes.

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

Order is pronounced on 10/09/2025 in the open court.

**Sd/-**  
**(DINESH MOHAN SINHA)**  
**JUDICIAL MEMBER**

**Sd/-**  
**(BIJAYANANDA PRUSETH)**  
**ACCOUNTANT MEMBER**

Surat

दिनांक/ Date: 10/09/2025

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

By Order

**// TRUE COPY //**

Assistant Registrar/Sr. PS/PS  
ITAT, Surat