

**IN THE INCOME-TAX APPELLATE TRIBUNAL, SURAT BENCH, SURAT  
BEFORE SHRI SANJAY GARG, JUDICIAL MEMBER &  
SHRI BIJAYANANDA PRUETH, ACCOUNTANT MEMBER**

**आयकर अपील सं./ITA No.756/SRT/2025**

**(Hybrid hearing)**

Shri Sanskar Education And Cheritable Trust 1, Anaval, Surat, Surat-396510	<b>Vs.</b>	Commissioner of Income-tax(Exemption), Ahmedabad
<b>स्थायीलेखासं./जीआइआरसं./PAN/GIR No: AAWTS 6661 B</b>		
<b>(अपीलार्थी/Appellant)</b>		<b>(प्रत्यर्थी/Respondent)</b>

<b>Appellant by</b>	Shri Parin Shah, CA
<b>Respondent by</b>	Shri Mukesh Jain, (CIT) DR
<b>Date of Hearing</b>	23.09.2025
<b>Date of Pronouncement</b>	26.09.2025

**आदेश / ORDER**

**PER BIJAYANANDA PRUETH, AM:**

This appeal emanates from the order dated 24.06.2025 passed by the learned Commissioner of Income-tax (Exemption), Ahmedabad [in short, 'the CIT(E)'], wherein Ld. CIT(E) rejected assessee's application filed in Form No.10AB electronically for grant of approval under sub clause (iii) of clause (ac) of sub section (1) of section 12A of the Income-tax Act (for short 'the Act').

2. Grounds of appeal raised by the assessee are as under:

*"1. The order passed by CIT (Exemption) is invalid, bad in law and required to be quashed.*

*2. Ld. CIT (Exemption) erred in law and on facts in rejecting application by violating principle of natural justice. Accordingly. Appellant prays that same may be set aside to re adjudication.*

*3. Ld. CIT (Exemption) erred in law and on facts in not condoning delay in filing application.*

4. Ld. CIT

*(Exemption) ought to have issued show cause notice well in advance rather than issuing same at the fag end of limitation period."*

3. The fact of the case in brief are that the assessee filed an application in Form No.10AB electronically for grant of approval under sub clause (iii) of clause (ac) of sub section (1) of section 12A of the Income-tax Act. In this case, the assessee had also obtained provisional registration u/s.12AB in Form 10AC. In respect of the application filed by the assessee-trust in Form No.10AB, the CIT(E) asked the assessee-trust to file certain details and documents vide notice dated 29.01.2025. In response to the said notice, the assessee, vide its reply dated 13.02.2025, submitted part details. Further, CIT(E) noticed that application of the assessee had been filed beyond the time allowed under current statute. Therefore, CIT(E) issued a show cause notice dated 14.06.2025, wherein looking to the delayed filing of application and failure of assessee to furnish necessary details/documents, assessee was requested to show cause as to why its application filed in Form 10AB should not be rejected. However, assessee neither filed any submission nor sought any adjournment. In the absence of compliance by the assessee, Ld. CIT(E) rejected the application of the assessee filed in Form 10AB. The Ld. CIT(E) observed that the assessee had not filed the application in Form 10AB within the prescribed time limit and therefore, the same was rejected as non maintainable without going into the merits of the case. In addition to the provisional registration issued in Form 10AC was also cancelled.

4. Aggrieved by the order of Ld. CIT(E), the assessee filed appeal before the Tribunal. Since the application filed by assessee in Form 10AB for approval was rejected simply on account of delay of 41 days in filing it, without considering the merit of the case, the Id. AR requested that the matter may be set aside to the file of Ld. CIT(E) for considering the case on merit. The Id. AR of the assessee submitted that the *ex parte* order by Ld. 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 Ld. CIT(E).

5. On the other hand, Ld. CIT-DR for the revenue did not have any objection if the matter is remitted back to the file of the Ld. CIT(E) for fresh adjudication. He, however, stated that appropriate cost may be imposed on the assessee.

6. We have heard both parties and perused the materials available on record. The Ld. CIT(E) issued notice on 29.01.2025 but there was only part compliance from the assessee. Thereafter, a show cause notice dated 14.06.2025 was also issued by Ld. CIT(E); however, there was no compliance from the assessee. The Ld. CIT(E) further observed that the application of the assessee had been filed beyond the time allowed under current statute (delay of 41 days). The Ld. CIT(E) also noticed that the assessee failed to file necessary 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.

6.1 We find that appellant could not pursue his case before the Ld. CIT(E) by filing necessary evidences and documents and the application filed by appellant in Form 10AB deserves to be examined on merits and cannot be dismissed merely on account of delay of 41 days in its filing. The Ld. CIT(E) himself has mentioned that the appellant has not given any reasonable cause for the delay. Hence, we are of the view that one more opportunity should be given to the assessee to file relevant documents/evidences and to plead his case before the Ld. CIT(E) both on merit and delay in filing application. 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 restore the matter back to the file of Ld. CIT(E) for *de novo* adjudication and to pass a speaking order after hearing the appellant, subject to payment of cost of Rs.5,000/- (Rupees five thousand only) by the appellant to the credit of the "PM National Relief Fund" within 3 weeks from receipt of this order. Subject to payment of above cost, we set aside the order of Ld. CIT(E) and remit the matter back to the file of Ld. CIT(E) with a direction to pass *de novo* order in accordance with law and on merits after granting adequate

opportunity of hearing to the appellant. The appellant is directed to be more vigilant and diligent and to furnish all the details and explanations as needed by the Ld. CIT(E) by not seeking adjournment without valid reasons. With these directions, the grounds of appeal are allowed for statistical purposes.

7. In the result, appeal of the assessee is allowed for statistical purpose.

Order pronounced in accordance with Rule 34 of ITAT Rules, 1963  
on 26/09/2025 in the open court.

**Sd/-**  
**(SANJAY GARG)**  
**न्यायिक सदस्य/JUDICIAL MEMBER**  
सूरत /Surat  
दिनांक/ Date: 26/09/2025  
Dkp Outsourcing Sr.P.S\*

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

आदेश की प्रतिलिपि अग्रेषित/ Copy of the order forwarded to :

- **अपीलार्थी/** The Appellant
- **प्रत्यर्थी/** The Respondent
- **आयकर आयुक्त/** CIT
- **आयकर आयुक्त (अपील)/** The CIT(A)
- **विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, सूरत/** DR, ITAT, SURAT
- **गार्ड फाईल/** Guard File

By order/आदेश से,

// True Copy //

सहायक पंजीकार  
आयकर अपीलीय अधिकरण, सूरत