

**IN THE INCOME TAX APPELLATE TRIBUNAL  
“G” BENCH, MUMBAI  
BEFORE SMT. BEENA PILLAI (JUDICIAL MEMBER)  
&  
SHRI GIRISH AGRAWAL (ACCOUNTANT MEMBER)**

**I.T.A. No. 7234/Mum/2025**

<b>Sunder Nagar Satsang Sabha</b> A/1405, Sapta Ratna Towers Opp. Umedbhai Patel School S.V. Road Sundar Nagar Mumbai - 400064 <b>[PAN: ABFTS3589L]</b>	Vs.	<b>CIT (Exemptions)</b>
<b>(Appellant)</b>		<b>(Respondent)</b>

<b>Assessee by</b>	Shri Ajay Singh a/w Mr. Akshay Pawar, A/Rs
<b>Revenue by</b>	Shri Arun Kanti Datta, CIT DR

<b>Date of Hearing</b>	07.01.2026
<b>Date of Pronouncement</b>	19.01.2026

**ORDER**

**Per Smt. Beena Pillai, JM:**

Present appeal filed by assessee arises out of order dated 28/09/2025 passed by Ld. CIT(E), Mumbai [hereinafter “the Ld.CIT(E)”], on following grounds of appeal:-

*“1. The learned CIT(A) erred in rejecting the Application in Form No. 10AB dated 20.03.2025 seeking registration under section 12AB of the Act on the ground of delay without appreciating the reasons stated by the assessee and considering the hardship caused due to denial of registration, more so when assessee has complied with all the conditions.*

*2. On the facts and circumstances of the case and in law the CIT(E) erred in rejecting the application filed under section 12AB on the ground that the application should have been filed within six months prior to the expiry of period of provisional registration or within six months of the commencement of activities whichever is earlier without appreciating that the provisional registration was granted upto A.Y. 2025-26 and assessee applied on 20/3/2025 for regularization of provisional registration.*

3. *The Assessee craves leave to add, alter modify or delete one or more ground before or at the time of hearing of Appeal.”*

**2. Brief facts of the case are as under:-**

Assessee is a Trust and was created on 22/06/2022 for functioning as *Gurudwara* conducting various religious and charitable activities. It provisional approval in Form 10AC on 24/12/2022 that was valid upto AY 2025-26. Assessee had already commenced its activities in May, 2023 after obtaining the provisional registration. However, it failed to file its application in Form 10AB to regularize provisional registration u/s 12A(1)(ac)(ii). The application in Form 10AB was filed on 20/03/2025 with a delay of 16 months.

**2.1.** A notice was thus issued by the Office of Ld.CIT(E) dated 08/07/2025 calling upon assessee to furnish relevant information and also seeking explanation for belated filing application for final registration. Assessee in response, filed its letter dated 19/07/2025 which is placed at page 15-21 of the paperbook. It was submitted that, the delay was caused due to confusion regarding the new provision and on the assumption that, the provisional registration was valid till 31/03/2026. Assessee thus submitted that, the lapse was unintentional and prayed for condonation of delay in the interest of justice and public welfare.

**2.2.** The Ld.CIT(E), after considering the submissions advanced, rejected the application for regularization of the provisional registration by observing as under:-

*“4.3. It is pertinent to mention that the Board has provided various extensions and general condonation, latest vide Circular No. 07/2024 dated 25.04.2024 to file/re-file the application for registration in case the Trusts have failed to do so or the application got rejected under specified grounds. However, the applicant has failed to avail the benefit of the same. Also, the applicant has not been able to show any reasonable cause for delay or to establish that the applicant trust had genuine hardship in filing of the application within the due date. In absence of a reasonable cause of delay the request of the applicant for condonation of delay is not acceptable.*

*5. Since registration under section 12AB is to be granted in terms of the provisions of section 12AB(1)(b) of the Act after being satisfied about the objects of the trust or institution, the genuineness of activities, and the compliance of any other law for the time being in force as are material for the purposes of achieving its objects. In view of the above mentioned violations, the undersigned is left with no other option but to reject the application seeking registration under section 12AB of the Act. However, the applicant is at liberty to pursue the remedies available in Statute, without any prejudice.*

*6. In the view of the above, the application for regularization of provisional registration in Form 10AB filed by the assessee is not allowable on the ground of late filing. In conclusion, this application for grant of registration stands rejected.”*

Aggrieved by the order of Ld.CIT(E), assessee is in appeal before this Tribunal.

**3.** The Ld.AR submitted that, the power to condone the delay in filing Form 10AB was initially vested with CBDT that was extended time and again till 30/06/2024. He submitted that, thereafter Finance Act No. 2 of 2024 inserted following provisions to Section 12A(1)(ac)(iv), which reads as under:-

*“provided that where the application is filed beyond the time limit in sub-Clause (i) to (iv), the Principal Commissioner or the Commissioner may, if he considers that there is a reasonable cause for delay in filing the application, condone such delay and such application shall be determined to have been filed within time.”*

**3.1.** Ld.AR submitted that, the above amendment was applicable *w.e.f.* 1<sup>st</sup> day of October, 2024. He thus submitted that, assessee had filed its application to regularize the provisional registration on 20/03/2025. Thus, the Ld.CIT(E) had powers to consider the application of the assessee seeking condonation of delay. Ld.AR placed reliance on the following decisions of Co-ordinate bench of this *Tribunal* wherein identical issue was addressed:-

- *Co-ordinate Bench of ITAT Mumbai in the case of Shamkris Charity Foundation reported in [2025] 180 taxmann.com 58 (Mumbai – Trib.)*
- *TIH Foundation for IOT and IOE vs. CIT(E) [2025] 176 taxmann.com 561 (Mumbai-Trib.)*

**4.2.** He also relied on the decision of Co-ordinate Bench of this *Tribunal* in the case of *Amba Shanti Foundation vs. CIT(Exemption) in ITA Nos. 1862 & 1863/Mum/2025 order dated 28/05/2025*, wherein this *Tribunal* observed that a liberal view has to be taken in case of condoning the delay which is merely technical and if found genuine has to be decided in favour of assessee.

**4.3.** On the contrary, Ld.DR relied on orders passed by authorities below, however, could not controvert the submissions advanced by Ld.AR.

We have perused the submissions advanced by both sides in light of the records placed before us.

**5.** There is no dispute regarding the factual aspect that there was a delay in filing Form 10AB for regularizing the provisional

registration of assessee. The CBDT Circular 7/2024 dated 25/04/2024 had extended time limit to 30/06/2024. The decisions relied upon by Ld.CIT(E) is on the aspect of allowability of claim of deduction. In our view, the legislature has already provided sufficient powers to Ld.CIT(E) to consider such circumstances of delay by way of amendment introduced by Finance Act No. 2 of 2024. We have also perused the memorandum explaining the provisions of the Finance Bill which is stated as under:-

*“5. The Memorandum explaining the provisions Finance Bill in this regard stated that -*

*A trust or institution desirous of seeking registration under [section 12AB](#) is inter alia required to apply within timelines specified in clause (ac) of sub-section (1) of [section 12A](#)*

*2. It has been noted that at times trusts or institutions are unable to file application within specified timelines. In case a trust or institution is unable to apply within time specified, it may become liable to tax on accreted income as per provisions of [Chapter XII-EB of the Act](#). A situation of permanent exit of trust or institution from the exemption regime may also arise.*

*3. It is proposed that the Principal Commissioner/ Commissioner may be enabled to condone the delay in filing application and treat such application as filed within time. The delay may be condoned if he considers that there is a reasonable cause for the same.*

*4. These amendments will take effect from the 1st day of October, 2024.”*

**5.1.** It is further observed that there are various decisions of this Tribunal as well as Hon’ble High Courts wherein a liberal view has been taken in case of condoning the delay in filing the application for filing registration in Form 10AB. Based on the above discussion, we deem it appropriate to remit this issue back to the Ld.CIT(E) to consider the application of assessee dated 20/03/2025 as being

filed in time and to decide the issue of deduction claimed by assessee on merits, in accordance with law.

**Accordingly, grounds raised by assessee stands allowed for statistical purposes.**

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

**Order pronounced in the open court on 19/01/2026**

**Sd/-**

**(GIRISH AGRAWAL)  
Accountant Member**

**Sd/-**

**(BEENAPILLAI)  
Judicial Member**

Mumbai  
Dated: 19/01/2026  
SC Sr. P.S.

Copy of the order forwarded to:

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

True Copy  
By order

(Asstt. Registrar)  
**ITAT, Mumbai**