

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ "ए" , चण्डीगढ़  
IN THE INCOME TAX APPELLATE TRIBUNAL, CHANDIGARH BENCH "A", CHANDIGARH

HEARING THROUGH: PHYSICAL MODE

श्री ललित कुमार, न्यायिक सदस्य एवं श्री कृणवन्त सहाय, लेखा सदस्य  
BEFORE: SHRI. LALIET KUMAR, JM & SHRI. KRINWANT SAHAY, AM

आयकर अपील सं. / ITA No. 1495/Chd/ 2025  
निर्धारण वर्ष / Assessment Year : 2025-26

Colonel Bhim Singh Foundation Trust Tohana, Hisar Road, Fatehabad 125120 Haryana- 125120	बनाम	The CIT(Exemptions)
स्थायीलेखासं. / PAN NO: AADTC3948C		
अपीलार्थी / Appellant		प्रत्यर्थी / Respondent

निर्धारिती की ओर से / Assessee by : Shri Ashok Goyal &  
Shri Sifatpreet Singh, C.A's  
राजस्व की ओर से / Revenue by : Shri Manav Bansal, CIT, DR  
सुनवाई की तारीख / Date of Hearing : 19/01/2026  
उदघोषणा की तारीख / Date of Pronouncement : 21/01/2026

**आदेश / Order**

**PER LALIET KUMAR, J.M:**

This appeal filed by the assessee is directed against the order dated 16/10/2025 passed by the Ld. CIT Exemptions, Chandigarh.

2. In the present appeal Assessee has raised the following grounds:

1. That the Ld. CIT (Exemptions) has erred in rejecting the application on the ground that the same was not submitted within 6 months deadline as prescribed under section 12A(1)(ac)(iii) of the Income Tax Act, 1961, ignoring the facts and circumstances of the case and existing technical glitch and non-functioning of e-filing portal at the time of filing Form 10AB.
2. That the Ld. CIT (Exemptions) has erred in rejecting application for exemption under section 12A(1)(ac)(iii) of the Income Tax Act, 1961 without proper appreciation of documents and evidences on record on the basis of conjectures and surmises.
3. That the Ld. CIT(Exemptions) has erred in rejecting registration as per provisions of section 12AB(1)(b) in so far as no opportunity of being heard as prescribed has been afforded before rejecting the application.
4. That the Appellant craves leave to add or amend the grounds of appeal before the appeal is finally heard or disposed off.

3. Brief facts of the case are that the assessee, Colonel Bhim Singh Foundation Trust, is a trust constituted on 22.11.2023 with stated objects of religious-cum-charitable

nature. The trust commenced its charitable activities on 14.09.2024. The assessee was granted provisional registration under section 12AB of the Income-tax Act, 1961 vide order dated 06.04.2024. Subsequently, the assessee filed an application in Form No. 10AB on 05.05.2025 seeking regular registration under section 12A(1)(ac)(iii) of the Act for the assessment year 2025-26.

4. During the course of proceedings, the Ld. CIT (Exemptions) issued a detailed questionnaire calling upon the assessee to furnish various details and documents in order to verify the genuineness of its activities and compliance with the statutory requirements. The assessee furnished replies along with certain supporting documents. However, the Ld. CIT (Exemptions) was not satisfied with the explanations and evidence produced.

5. Aggrieved by the order passed by the Ld. CIT (Exemptions) rejecting the application for registration under section 12A(1)(ac)(iii) of the Act, the assessee is in appeal before the Tribunal, raising multiple grounds, inter alia, challenging the rejection on the grounds of limitation, improper appreciation of material on record, and violation of the principles of natural justice.

6. The Ld. AR of the assessee submitted that the impugned order passed by the Ld. CIT (Exemptions) is unsustainable both in law and on facts. It was contended that the rejection of the application on the ground of limitation is erroneous, as the assessee was prevented by sufficient cause from filing the application within the prescribed time due to technical glitches and non-functioning of the e-filing portal. It was submitted that the assessee had duly raised this plea during the proceedings, however, the same was not examined or adjudicated by the Ld. CIT (Exemptions), rendering the order defective.

7. The Ld. AR further submitted that even on merits, the application has been rejected without affording a proper and effective opportunity of being heard. It was contended that the adverse observations regarding the purchase of spectacles, the absence of beneficiary details, electricity and repair expenses, and cash withdrawals were never specifically put to the assessee for rebuttal. According to the Ld. AR, had an opportunity been granted, the assessee was in a position to explain and substantiate each of the issues raised by the Ld. CIT (Exemptions) with supporting evidence.

8. It was argued that at the stage of grant of registration under section 12AB, the scope of enquiry is confined to examining the objects of the trust and the genuineness of its activities, and not to undertake a detailed scrutiny akin to assessment proceedings. The Ld. AR submitted that the assessee is a newly constituted trust, which had only recently commenced its activities, and therefore, minor procedural or documentary deficiencies ought not to have been viewed adversely without granting an opportunity to rectify the same.

9. In view of the above, the Ld. AR pleaded that, in the interest of justice, the impugned order be set aside, and the matter be restored to the file of the Ld. CIT (Exemptions) for fresh adjudication, with a direction to examine the issue of limitation as well as the merits of the application after affording due and adequate opportunity of being heard to the assessee.

10. Per contra, the Ld. DR strongly supported the order of the Ld. CIT (Exemptions). It was submitted that the provisions of section 12A(1)(ac)(iii) of the Act are clear and unambiguous, and the assessee having commenced its activities on 14.09.2024 was required to file the application for regular registration within six months thereof. Since the application was admittedly filed beyond the prescribed time and without any formal application seeking condonation of delay, the Ld. CIT (Exemptions) was fully justified in holding the application to be non-maintainable.

11. The Ld. DR further submitted that the plea regarding technical glitches was not substantiated by any contemporaneous evidence such as screenshots, error logs, or complaints raised with the e-filing helpdesk, and therefore the same could not be accepted merely on the basis of a bald assertion. It was argued that the burden to demonstrate sufficient cause squarely lies upon the assessee, which has not been discharged in the present case.

12. On merits, the Ld. DR submitted that the Ld. CIT (Exemptions) had rightly examined the genuineness of the activities of the trust and recorded clear findings based on the material placed on record. It was contended that the assessee failed to furnish basic details, including complete bills, particulars of beneficiaries, ownership or use of the premises, and explanations for cash withdrawals, which raised serious doubts about the genuineness of the activities claimed to have been carried out.

13. The Ld. DR further submitted that the Ld. CIT (Exemptions) had issued a detailed questionnaire and afforded sufficient opportunity to the assessee, and therefore the allegation of violation of principles of natural justice is misplaced. It was argued that the assessee cannot seek remand merely to fill up lacunae in its case.

14. Accordingly, the Ld. DR prayed that the order passed by the Ld. CIT (Exemptions) be upheld and the appeal of the assessee be dismissed.

15. We have heard the rival submissions and perused the material available on record. The assessee, a trust namely *Colonel Bhim Singh Foundation Trust*, was constituted on 22.11.2023 with objects stated to be religious-cum-charitable in nature. The trust commenced its activities on 14.09.2024. The assessee was granted provisional registration under section 12AB of the Income-tax Act, 1961 vide order dated 06.04.2024. Thereafter, the assessee filed an application in Form No. 10AB on 05.05.2025 seeking regular registration under section 12A(1)(ac)(iii) of the Act.

16. During the course of proceedings, the Ld. CIT (Exemptions) issued a questionnaire calling upon the assessee to furnish various details to establish the genuineness of its activities. The assessee furnished its reply along with certain documents. However, the Ld. CIT (Exemptions) was not satisfied with the explanations and evidence filed and rejected the application, primarily on the ground that the same was filed beyond the time limit prescribed under section 12A(1)(ac)(iii) of the Act. According to the Ld. CIT (Exemptions), since the trust had commenced its activities on 14.09.2024, the application ought to have been filed on or before 14.03.2025, whereas the same was filed on 05.05.2025 without any application seeking condonation of delay, and therefore, the application was held to be non-maintainable.

17. Without prejudice to the above, the Ld. CIT (Exemptions) also examined the application on merits and held that the assessee failed to establish the genuineness of its activities. It was observed that the bill relating to purchase of spectacles did not contain complete particulars such as address and GST number of the supplier, that the supplier was located at a distant place, and that no details of beneficiaries were furnished. Certain expenses claimed towards electricity and repairs were also doubted in the absence of details of corresponding assets or premises. Further, cash withdrawals reflected in the bank statements were viewed adversely as no explanation was

furnished. On these observations, the Ld. CIT (Exemptions) rejected the application both on the ground of limitation as well as on merits.

18. Before us, the Ld. Authorised Representative submitted that the rejection on the ground of limitation is unsustainable as the assessee was prevented by sufficient cause from filing the application within the prescribed time due to technical glitches and non-functioning of the e-filing portal. It was contended that this plea was specifically raised during the proceedings but has not been examined or adjudicated by the Ld. CIT (Exemptions). It was further submitted that the rejection on merits has been made without affording a proper and effective opportunity of being heard, as the adverse observations were never specifically confronted to the assessee for rebuttal. According to the Ld. AR, the assessee was in a position to explain the issues relating to bills, beneficiaries, expenses and cash withdrawals, had an opportunity been granted. It was argued that at the stage of grant of registration under section 12AB, the scope of enquiry is limited to examining the objects of the trust and the prima facie genuineness of its activities, and therefore the impugned order deserves to be set aside and the matter remanded to the file of the Ld. CIT (Exemptions) for fresh adjudication.

19. The Ld. DR, on the other hand, supported the order of the Ld. CIT (Exemptions). It was submitted that the provisions of section 12A(1)(ac)(iii) are mandatory in nature and the assessee having admittedly filed the application beyond the prescribed time without seeking condonation of delay, the Ld. CIT (Exemptions) was justified in treating the application as non-maintainable. It was further contended that the plea of technical glitches was not supported by any contemporaneous evidence. On merits, the Ld. DR submitted that the assessee failed to furnish basic evidences such as complete bills, beneficiary details, asset particulars and explanation for cash withdrawals, and therefore the findings recorded by the Ld. CIT (Exemptions) regarding lack of genuineness of activities are well reasoned. It was argued that sufficient opportunity was granted and the assessee cannot seek remand merely to fill up lacunae.

20. We have given our thoughtful consideration to the rival submissions. At the outset, we note that the assessee has raised a specific plea that the delay in filing Form No. 10AB occurred due to technical glitches in the e-filing portal. This contention goes to the root of the issue of maintainability of the application. However, we find that the

impugned order is completely silent on this explanation and there is no discussion or verification thereof by the Ld. CIT (Exemptions). In our considered view, such a plea could not have been brushed aside without examination, particularly when the rejection has been founded primarily on the ground of limitation. We further note that the assessee, has commenced its activities on 14/09/2024 and prior thereto the provisional registration was granted on 06/04/2024. Thus, the finding of the Ld. CIT(E) that the activities of the assessee were commenced prior to its provisional registration and therefore the assessee should have applied for permanent registration by 14/03/2025, in our view is not in accordance with law and therefore the order is not sustainable in the eyes of law.

21. We further observe that while rejecting the application on merits, the Ld. CIT (Exemptions) has drawn adverse inferences on account of alleged deficiencies in evidences. However, it is not evident from the record that the assessee was afforded a clear and effective opportunity, as contemplated under section 12AB(1)(b) of the Act, to explain or rebut the adverse observations so made. The rejection appears to have been made without granting a specific opportunity to address the deficiencies pointed out, which, in our view, is not in conformity with the principles of natural justice.

22. Considering the totality of facts and circumstances of the case, we are of the considered opinion that the matter requires fresh examination by the Ld. CIT (Exemptions).

23. Accordingly, in the interest of justice, we set aside the impugned order and restore the matter to the file of the Ld. CIT (Exemptions) for de novo adjudication. The Ld. CIT (Exemptions) shall first examine the issue of limitation, including the assessee's plea regarding technical glitches in the e-filing portal, and thereafter adjudicate the application on merits in accordance with law after affording adequate opportunity of being heard to the assessee. The assessee is directed to cooperate fully and furnish all requisite details and evidences as may be called for.

24. It is clarified that nothing stated hereinabove shall be construed as an expression of opinion on the merits of the case. The Ld. CIT (Exemptions) shall decide the issue(s) afresh uninfluenced by any observations contained in this order, while setting aside the impugned order, and in accordance with law.

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

Order pronounced in the open Court on 21/01/2026

Sd/-

**कृणवन्त सहाय**  
**(KRINWANT SAHAY)**  
**लेखा सदस्य/ ACCOUNTANT MEMBER**

Sd/-

**ललित कुमार**  
**(LALIET KUMAR)**  
**न्यायिक सदस्य/JUDICIAL MEMBER**

AG

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

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकरआयुक्त/ CIT
4. आयकरआयुक्त (अपील) / The CIT(A)
5. विभागीय प्रतिनिधि, आयकरअपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
6. गार्ड फाईल/ Guard File

आदेशानुसार/ By order,  
सहायक पंजीकार/ Assistant Registrar