

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़
IN THE INCOME TAX APPELLATE TRIBUNAL
CHANDIGARH BENCH, 'B', CHANDIGARH

**BEFORE SHRI RAJPAL YADAV, VICE PRESIDENT &
SHRI KRINWANT SAHAY, ACCOUNTANT MEMBER**

आयकर अपील सं./ ITA No. 1582/CHD/2025

निर्धारण वर्ष / Assessment Year : 2026-27

Swami Shankra Nand Dharmarth Trust, Luxmi Kunj, B-II-151, Sadar Bazar, Barnala 148101	बनाम Vs.	The CIT (Exemptions), Chandigarh
स्थायी लेखा सं./PAN NO: AAATS7240Q		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

(Physical Hearing)

निर्धारिती की ओर से/Assessee by : Sh. Sudhir Sehgal, Advocate

राजस्व की ओर से/ Revenue by : Dr. Vivek Aggarwal, CIT DR

सुनवाई की तारीख/Date of Hearing : 10.03.2026

उदघोषणा की तारीख/Date of Pronouncement : 10.03.2026

आदेश/Order

Per Krinwant Sahay, AM:

Appeal in this case has been filed by the Assessee against the order dated 12.11.2025 passed by Ld. Commissioner of Income Tax, Exemptions, Chandigarh

2. Grounds of appeal, as raised by the Assessee are reproduced as under:

1. *That the Ld. CIT (Exemptions) has erred in rejecting the application for renewal of registration u/s 12A(1)(ac) (li) of the Act as made by the assessee on 22.08.2025 and rejecting the same for registration u/s 12AB vide ex-parte order, dated 12.11.2025.*
2. *That no sufficient or reasonable opportunity has been afforded to the appellant and the entire proceedings have been closed by the Ld. CIT(Ex.) within a short span of less than 2 months which is very much against the principles of natural justice and fairness.*
3. *That the rejection of adjournment application as sought by the assessee was improper as the time period during which the said notices were being issued and the two opportunities given was falling during the period when the last dates of filing of ITRs for non-audit cases i.e., 15.09.2025 and thereafter there was the due date of completion of audit cases by 30.09.2025 which got extended only on the evening of 25.09.2025 and finally the extended due date of completion of audits was 31.10.2025 which only got further extended to 10.11.2025 on the evening of 29.10.2025.*
4. *Notwithstanding the above said grounds of appeal, the Ld. CIT*

(Exemptions) having not given any finding on merits of the case and, thus, the rejection of renewal of application u/s 12AB by the CIT (Exemptions), is without any reasonable basis and thus bad in law.

5. *That the appellant craves leave to add or amend the grounds of appeal" before the appeal is finally heard or disposed off.*

3. In addition to above grounds, the Assessee has also raised following additional grounds of appeal:

1. *That the learned CIT (Exemptions) has exceeded jurisdiction by cancelling the existing registration with retrospective effect, even though the application for renewal related solely to grant of registration under section 12AB for Assessment Year 2027-28 and subsequent years.*
2. *Notwithstanding the above ground of appeal, the cancellation of registration of earlier period without giving any show cause notice is against the principles of natural justice and such finding deserved to be quashed.*

3. During the proceedings before us, ld. Counsel for the Assessee submitted that the Ld. CIT(E), Chandigarh has rejected the application of the Assessee for registration

u/s 12AB of the Income Tax Act, 1961 (in short 'the Act') by passing ex-parte order date 12.11.2025. Further, the order passed by the Ld. CIT(E) is not based on merits of the case and as such the action of the Ld. CIT(E) is bad in law. It has further been submitted that no sufficient or reasonable opportunity was afforded to the Assessee and the entire proceedings have been closed within a short span of less than 2 months, which is very much against the principles of natural justice and fairness. The Ld. CIT(E) has also exceeded his jurisdiction by cancelling the exiting registration with retrospective effect and apart that, cancellation of registration of earlier period without giving any show cause notice to the Assessee is against the principles of natural justice and, as such, it was submitted that the findings of the Ld. CIT(E) deserved to be quashed.

4. Per contra, Ld. DR relied on the order of the Ld. CIT(E).

6. We have considered the findings given by the Ld. CIT(E) in the order and we have also considered the arguments and facts brought on record by the ld. Counsel for the Assessee and submissions of the Ld. DR. We find from the order of the Ld. CIT(E) that the application of the Assessee was rejected by passing an ex-parte order, as being deficient in factual evidence. In the absence of the requisite submissions of the applicant at the scheduled hearing by further finding that this rejection would also supersede any registration granted u/s 12AB of the Act by any authority at any earlier item by passing ex-parte order

7. Ongoing through the material available on record and considering the submissions of the Assessee we find that the ld CIT(E) should have passed the order by considering the material available on file and, therefore, keeping in view the element of natural justice, we feel one more opportunity needs to be provided to the Assessee to produce and furnish necessary documents / information before the Ld. CIT(E).

8. In view of this, the matter is restored to the file of the CIT(E) for decision afresh in accordance with law. Needless to say, that the ld. CIT(E) will give proper opportunity to the Assessee to present its case and to furnish necessary evidences and details. The Assessee is also directed to present its case before the Ld. CIT(E) as and when called for and will not contribute in unnecessary delay in the hearing of the appeal.

9. In the result, the appeal of the Assessee stands allowed for statistical purposes.

Order Pronounced on 10.03.2026.

Sd/-
(RAJPAL YADAV)
Vice President

Sd/-
(KRINWANT SAHAY)
Accountant Member

“आर.के.”

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

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्ड फाईल/ Guard File

सहायक पंजीकार/ Assistant Registrar