

IN THE INCOME TAX APPELLATE TRIBUNAL
“A” BENCH, CHANDIGARH

PHYSICAL HEARING

**BEFORE HON’BLE SHRI RAJPAL YADAV, VICE PRESIDENT
AND
HON’BLE SHRI KRINWANT SAHAY, AM**

**आयकरअपीलसं./ ITA No.1639/CHANDI/2025
(निर्धारणवर्ष / Assessment Year: 2026-27)**

M/s Daya Laxmi Charitable Trust SCO 80-81, Third Floor, Sector 17-C, Chandigarh - 160017	बनाम/ Vs.	CIT (Exemptions) CR Building, Sector-17C, Chandigarh
स्थायीलेखासं./जीआइआरसं./PAN/GIR No. AAETD-5564-C		
(अपीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थीकीओरसे/ Appellant by	:	Sh. T.N. Singla (CA)
प्रत्यर्थीकीओरसे/ Respondent by	:	Sh. Manav Bansal (CIT) Ld. DR

सुनवाईकीतारीख/ Date of Hearing	:	26-02-2026
घोषणाकीतारीख / Date of Pronouncement	:	19-03-2026

आदेश / O R D E R

Krinwant Sahay (Accountant Member)

1. Appeal in this case has been filed against the order dated 04.11.2025 passed by the Ld. CIT (Exemptions), Chandigarh.

2. *Grounds of appeal are as follows:*

1. *That the order of Ld. CIT(E) is bad against the law.*
2. *That the order of Ld. CIT(E) has wrongly rejected the application for registration u/s 12A(i)(ac)(iii).*

3. *That the order of Ld. CIT(E) has wrongly passed the order without issuing any notice in lieu of the order of Hon'ble ITAT dated 02.07.2025.*
4. *That the order of Ld. CIT(E) has rejected our application u/s 12A(i)(ac)(iii) without any show cause notice regarding missing regular charitable activities or any discrepancy in the submission made by the appellant.*
5. *That the order of Ld. CIT(E) is based on surmises and conjectures.*
6. *That the appellant craves leave to add, amend, alter or withdraw any ground of appeal before the final date of hearing.*

3. *The brief facts of the case are as under:*

An application for registration u/s 12A(i)(ac)(iii) of the Income-tax Act, 1961 (the Act) was filed by DAYA LAXMI CHARITABLE TRUST (the applicant) on 30.08.2025. On scrutiny of the above, it was found that the documents provided by the applicant were not sufficient for assessing the genuineness of the activities of the trust. It also could not be verified from the available documents whether the applicant is complying with the objects mentioned in the Trust deed or not. Therefore, the Ld. CIT(E) rejected the registration of the Trust u/s 12A(i)(ac)(iii) against the order of the CIT(E), the assessee has filed this appeal before us.

4. During proceedings before us, the Ld. Counsel of the Assessee argued that the Ld. CIT (Exemptions) rejected the application of the Assessee filed under Section 12A(i)(ac)(iii) without issuing any show cause notice regarding missing regular charitable activities or any discrepancy in the submissions made by the appellant and therefore, the Ld. counsel requested the Bench that the rejection order passed by the Ld. CIT(E) was bad in law. Accordingly, the Ld. counsel further requested that the matter may be remanded back to the CIT(E) for the *de-novo* order. On the other hand, the Ld. DR argued that the Ld. CIT(E) had

issued a questionnaire dated 17.09.2025 requesting the assessee to furnish documents, evidences online in order to verify whether activities of the applicant were in accordance with its objects, the guidelines of its activities and compliance with such requirements of any other law for the time being in force. In rebuttal, the Ld. Counsel of the Assessee argued that the Assessee had not received any such questionnaire from the Ld. CIT(E).

5. We have gone through the order of the Ld. CIT(E) and we have heard the arguments of the Ld. Counsel of the Assessee as well as that of the Ld. DR, we find that the Ld. CIT(E) has rejected the claim of the Assessee on the ground that the Assessee could not furnish the required documents in time to substantiate its claim of the charitable nature of the trust while the counsel of the assessee has claimed that through the assessee had furnished same documents but for further evidences, it did not receive any notice

6. Keeping in view, facts of the case and the element of natural justice we are of this considered view that the Assessee Trust deserves one more opportunity, accordingly, we remand this case back to CIT(E) to pass a fresh order after giving adequate opportunity to the Assessee of being heard. Simultaneously, the Assessee is directed not to take unnecessary adjournments and co-operate with the revenue in filing of the necessary documents and evidences in support of its claim.

7. In the result, Assessee's appeal is allowed for Statistical purpose.

Order pronounced on 19-03-2026

-SD-
(RAJPAL YADAV)
VICE PRESIDENT

-Sd-
(KRINWANT SAHAY)
ACCOUNTANT MEMBER

AS

Dated: 19-03-2026

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

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF

ASSISTANT REGISTRAR

ITAT CHANDIGARH