

**IN THE INCOME TAX APPELLATE TRIBUNAL  
“A”BENCH: BANGALORE**

**BEFORE SHRI LAXMI PRASAD SAHU, ACCOUNTANT MEMBER  
AND  
SHRI KESHAV DUBEY, JUDICIAL MEMBER**

ITA Nos.198 & 199/Bang/2025
AssessmentYear:2025-26

M/s. Deltin Foundation Delta Centre H.No.850 Off NH 17, Porvorim, North Alto-Porvorim, North Goa Bardez Goa 403 251  <b>PAN NO : AAKCD3413B</b>	<b>Vs.</b>	CIT(Exemption) Bangalore
<b>APPELLANT</b>		<b>RESPONDENT</b>

<b>Appellant by</b>	:	Ms. Ketki Mittal, A.R.
<b>Respondent by</b>	:	Smt. Srinandini Das, D.R.

<b>Date of Hearing</b>	:	27.03.2025
<b>Date of Pronouncement</b>	:	28.03.2025

**O R D E R**

**PER BENCH:**

These appeals at the instance of the assessee are directed against the orders of Id. CIT(Exemptions) both orders dated 9.1.2025 vide DIN & Notice Nos. ITBA/EXM/F/EXM45/2024-25/1072035160(1) and ITBA/EXM/F/EXM45/2024-25/1072035225(1) for the assessment year 2025-26 rejecting applications u/s 12AB & 80G of the Income Tax Act, 1961 (in short “The Act”) respectively. Since the grounds in both the appeals are common in nature, these are clubbed together, heard together and disposed of by this common order.

**2.** First, we take ITA No.198/Bang/2025 for the AY 2025-26 as the lead case. The grounds of appeal as raised by the assessee in this appeal are as follows:

The following grounds of appeal are independent of and without prejudice to one another:

**1. Violation of Natural Justice:**

- The Hon'ble CIT (Exemption) Bangalore [hereinafter referred to as CIT(E)] passed the order rejecting the application in Form 10AB dated 24<sup>th</sup> July, 2024 for the registration under Section 12AB without considering the submissions made by your appellant on 3<sup>rd</sup> December, 2024.

Your appellant submits that on the facts and in the circumstances of the case and in law, the failure to grant an adequate opportunity of hearing before rejecting the application is a violation of principle of natural justice and liable to be quashed.

- The Hon'ble CIT (E) Bangalore vide an Issue letter dated 9<sup>th</sup> January, 2025 called for hearing scheduled on 24<sup>th</sup> January, 2025. However, while your Appellant made an attempt to re-submit the documents on 10<sup>th</sup> January, 2025 (i.e. well within the timeline of 24<sup>th</sup> January, 2025), the window to make the submissions was closed. It is pertinent to note that the submissions were already made on 3<sup>rd</sup> December, 2024 which was not considered by the Hon'ble CIT(E)

Your appellant submits that on the facts and in the circumstances of the case and in law, the failure to grant an adequate opportunity of hearing is a violation of principle of natural justice and liable to be quashed.

**2. Violation of statutory timelines and due process:**

- The Hon'ble CIT (E) issued two notices to your appellant (one on 12<sup>th</sup> November, 2024 and another on 30<sup>th</sup> November, 2024) and set deadlines for submission of information as 3<sup>rd</sup> December, 2024 and 10<sup>th</sup> December, 2024 respectively. Your appellant complied by submitting the required details vide e-mail on 3<sup>rd</sup> December, 2024. The notice dated 10<sup>th</sup> December, 2024 was merely a rescheduling of the original date of hearing as the same was issued prior to the due date of hearing.

The Hon'ble CIT (E) passed an order in Form no. 10AD, rejecting the application on 9<sup>th</sup> January, 2025, without considering the timely and adequate response submitted by you appellant.

Your appellant submits that the rejection is arbitrary and against the law, as there was no further opportunity granted for submission or hearing after 3<sup>rd</sup> December, 2024.

- The Hon'ble CIT (Exemption) Bangalore vide an Issue letter dated 9<sup>th</sup> January, 2025 called for hearing scheduled on 24<sup>th</sup> January, 2025. However, on the same day i.e. 9<sup>th</sup> January, 2025 passed the order rejecting the application in Form 10AB dated 24<sup>th</sup> July, 2024 for the registration under Section 12AB without waiting till the next date of hearing mentioned in the issue letter.

Your appellant submits that on the facts and in the circumstances of the case and in law, the failure to grant an adequate opportunity of hearing before rejecting the application is a violation of principle of natural justice and liable to be quashed.

**3. Non-consideration of the Company's charitable purpose and compliance with the object clause:**

- Your applicant has been working towards promoting education, which is a charitable object as per the Income Tax Act. The activities undertaken are entirely in line with the object clause of the Company and the provisions for charitable purposes under Section 2(14) of the Income Tax Act.

The rejection and cancellation of registration is in contravention of your applicant's genuine efforts to support education through its activities. Hence your appellant request you to please re consider our application for final registration u/s 12AB.

Your Appellant craves leave to add, alter, delete or modify all or any the above grounds of appeal.

**3.** Brief facts of the case are that assessee is section 8 Company registered under the Companies Act, 2013, incorporated on 03/10/2023 with an object to promote education, post which it obtained provisional registration u/s 12AB of the Act vide Order dated 04/12/2023. The Income tax return for AY 2024-25 was filed on 07/10/2024 declaring Rs. Nil Income. On receipt of CSR funds, the assessee applied for a permanent registration u/s 12AB of the Act within 6 months of commencement of activities. Accordingly, an application for registration was made within the timeline. The Id. CIT(E) had called for various details vide notice dated 12/11/2024 requiring the assessee to make the submissions on or before 03/12/2024. Further, on 30/11/2024; the Id. CIT (E) issued another notice to make the submissions (of details called for in the previous notice) on 10/12/2024 (rescheduling the previous hearing). As claimed by Id. A.R. of the assessee, the requisite details were sent through email dated 03/12/2024 from the email id namely [sureshsahane@deltin.com](mailto:sureshsahane@deltin.com). Again, the Id. CIT(E) issued a notice dated 09/01/2025 calling for a hearing on 24/01/2025.

However, the ld. CIT(E) on the same day i.e. 09/01/2025 closed the window to make the submissions on the Income Tax portal. The CIT (E) didn't consider the submissions and without giving any further opportunity of hearing passed an Order in Form No. 10AD dated 09/01/2025 rejecting the application and cancelling the registration u/ s. 12AB of the Act.

**4.** Aggrieved by the order of ld. CIT(Exemption), the assessee has filed the present appeal before this Tribunal. On going through the order passed by ld. CIT(Exemption) i.e. Annexure to Form No.10AD dated 9.1.2025, we found that ld. CIT(Exemption) observed that according to section 12AB of the Act, the assessee is required to submit necessary documents to prove the genuineness of the activity of the Trust or institution and also the compliance of such requirement of any other law as are material for the purpose of achieving its object. As the assessee has not responded to the notices issued and failed to appear before the ld. CIT(Exemption) and submit all the necessary documents/details as required for registration u/s 12AB of the Act, the ld. CIT(Exemption) rejected the applications and cancelled the registration of the assessee.

**5.** At the time of hearing, both the parties fairly conceded that the assessee could not represent its case before the ld. CIT(Exemption). Further, ld. A.R. of the assessee vehemently submitted that the ld. CIT(Exemption) did not consider the submission sent through e-mail on 3.12.2024 and passed the order without giving any further opportunity of being heard. Being so, in the interest of justice and fair play, we remit the entire issue in dispute to the file of ld. CIT(Exemption) for fresh consideration and to decide the same in accordance with law. Needless to say, a reasonable opportunity of being heard must be granted to the assessee. The assessee is also directed to cooperate with the

proceedings before the Id. CIT (Exemption) and file relevant documents/ evidences/ submissions/ information which would be required by the Id. CIT(Exemption) for granting registration. We clarify that in case of further default, the assessee shall not be entitled for any leniency. It is ordered accordingly.

**6.** Now coming to ITA No.199/Bang/2025, as the grant of registration u/s 80G of the Act is dependent on the outcome of the appeal in ITA No.198/Bang/2025, hence, the same is also restored to the file of Id. CIT(Exemption) for deciding it afresh in accordance of law.

**7.** In the result, both the appeals of the assessee are allowed for statistical purposes.

Order pronounced in the open court on 28<sup>th</sup> Mar, 2025

**Sd/-**  
**(Laxmi Prasad Sahu)**  
**Accountant Member**

**Sd/-**  
**(Keshav Dubey)**  
**Judicial Member**

Bangalore,  
Dated 28<sup>th</sup> Mar, 2025.  
VG/SPS

Copy to:

1. The Applicant
2. The Respondent
3. The CIT
4. The DR, ITAT, Bangalore.
5. Guard file

By order

**Asst. Registrar,**  
**ITAT, Bangalore.**