

**आयकर अपीलीय अधिकरण, विशाखापटणम पीठ**  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**Visakhapatnam “Division” Bench, Visakhapatnam**

**Before Shri Vijay Pal Rao, Vice-President**  
**A N D**  
**Shri S. Balakrishnan, Accountant Member**

आ.अपी.सं / **ITA Nos.196 & 197/Viz/2025**  
(निर्धारण वर्ष / Assessment Year: 2024-25)

RMCANA INDIA FOUNDATION EAST GODAVARI PAN:AAMCR3582K (Appellant)	Vs.	Commissioner of Income Tax (Exemption) Hyderabad (Respondent)
निर्धारिती द्वारा / Assessee by:		Shri I Kama Sastry, CA
राजस्व द्वारा / Revenue by:		Dr. Satyasai Rath, CIT(DR)
सुनवाई की तारीख / Date of hearing:		07/05/2025
घोषणा की तारीख / Pronouncement:		27/05/2025

**आदेश/ORDER**

**Per Vijay Pal Rao, Vice President**

These two appeals filed by the assessee are directed against the two separate orders, both dated 29/01/2025 of the learned CIT (E) Hyderabad, for the A.Y.2024-25 whereby the application of the assessee for registration u/s 12A and approval u/s 80G of the I.T. Act, 1961 were dismissed/rejected being barred by limitation.

2. The learned AR of the assessee has submitted that due to the mis-communication between the assessee foundation and the Tax Consultant at Delhi, the application for condonation of delay could not be filed before the CIT (Exemption). He has now filed an application for condonation of delay along with an affidavit to explain the cause of delay of 10 and 13 days in filing the applications in Form 10AB seeking registration u/s 12A and approval u/s 80G respectively of the I.T. Act, 1961. The learned AR has thus, submitted that the delay was beyond the control of the assessee and the CIT (Exemption) could have given an opportunity to the assessee to explain the reasons for delay in filing the application. He has referred to the proviso to section 12A of the Act and submitted that after the insertion of the said proviso vide Finance Act, 2024 w.e.f. 1/10/2024, the Pr. CIT or the CIT ought to have considered the reasonable cause for delay in filing the application and condone such delay. Thus, the learned AR has submitted that the impugned orders were passed by the CIT (Exemption) on 29/01/2025 much after the insertion of the said proviso to section 12A of the I.T. Act, 1961, but without considering the same. Hence, he has pleaded that the matters may be remanded to the record of the CIT (Exemption) for re-consideration on the point of condonation of delay as well as deciding the application for registration u/s 12A and approval u/s 80G of the Act on merits.

3. On the other hand, the learned DR has objected to the condonation of delay in filing the application and submitted that the assessee has not filed any application or otherwise explained the cause of delay in filing the application in Form-10AB for registration u/s 12A as well as approval u/s 80G of the I.T. Act, 1961. He has relied upon the impugned orders of the learned CIT (Exemption).

4. We have considered the rival contentions as well as the relevant material available on record. The CIT (Exemption) has rejected both the applications of the assessee seeking registration u/s 12 as well as u/s 80G of the Act on the identical grounds in paras 3 & 4 as under:

3. In response to the above notice, the assessee submitted his reply. On perusal of the submissions made by the assessee, it is observed that the CPC has issued provisional registration in form 10AC dated 09.05.2023 valid from AY 2024-25 to AY 2026-27. As per the finance Act, 2020, the assessee should have applied form 10AB for regular registration u/s 12A, at least six months before the expiry of provisional registration or within six months from the date of commencement of activities, whichever is earlier. Further, the CBDT vide circular No. 7 of 2024 dated 25.04.2024 extended the time limit for filing of form 10A/10AB till 30.06.2024. However, the assessee has applied form 10AB for regular registration u/s 12A on 10.07.2024, i.e beyond the time limit prescribed for filing of form 10AB.

4. Keeping in view of the above, as the assessee has made the application in form 10AB beyond the time limit prescribed, the present application in form 10AB for registration u/s 12A is herewith **rejected**.

5. The assessee has pointed out that there was a delay of 10 days and 13 days in filing the application for registration u/s 12A and approval u/s 80G of the Act respectively and the said

delay was due to a mis-communication between the assessee and its Tax Consultants located at different places. We find that before rejecting the application, the learned CIT (Exemption) no show-cause notice was issued to the assessee about this deficiency of delay in filing the applications. Thus, it is apparent that the assessee was not given an opportunity of hearing before rejecting the application on the ground of limitation. Vide Finance Act, 2024, a proviso is inserted w.e.f. 1/10/2024 to section 12A of the Act as under:

*“Provided that where the application is filed beyond the time allowed (in sub clauses (i) to (v), the Principal Commissioner or 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 deemed to have been filed within time”.*

6. Thus, it is clear that after the insertion of this proviso, the Pr. CIT/CIT while considering the application for registration u/s 12A and approval u/s 80G of the I.T. Act, 1961 is empowered to condone the delay, if there is a reasonable cause for such delay in filing the application. The learned CIT (Exemption) while passing the impugned order has not considered the above proviso inserted by Finance Act, 2024 w.e.f. 1/10/2024. Now the assessee has filed the affidavit to explain the cause of delay which is required to be considered at the level of the learned CIT (Exemption). Accordingly, in the facts and circumstances of the case and in the interest of justice, both the matters regarding registration u/s 12A and approval u/s 80G of the I.T. Act, 1961 are remanded to the record of the learned CIT (Exemption) for

considering the condonation of delay on the basis of the reasons explained by the assessee. Needless to say, the assessee shall be given an appropriate opportunity of hearing before passing the fresh orders. We order accordingly.

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

Order pronounced in the Open Court on 27<sup>th</sup> May, 2025.

Sd/-

Sd/-

<b>(S. BALAKRISHNAN) ACCOUNTANT MEMBER</b>	<b>(VIJAY PAL RAO) VICE-PRESIDENT</b>
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Hyderabad, dated 27<sup>th</sup> May, 2025

*Vinodan/sps*

Copy to:

S.No	Addresses
1	RMCANA INDIA Foundation, Ramcosa House, Madhava Nagar, Kakinada, East Godavari Distt. A.P 533003
2	CIT (Exemption) Hyderabad
3	Pr.CIT (E) Hyderabad/Addl/Joint CIT (Exemption) Range, Vijayawada and Assessing Officer Exemption Ward, Rajahmundry
4	DR, ITAT Visakhapatnam Bench
5	Guard File

*By Order*