

**आयकर अपीलीय अधिकरण, विशाखापटणम पीठ, विशाखापटणम**

**IN THE INCOME TAX APPELLATE TRIBUNAL  
VISA KHAPATNAM "DIVISION" BENCH, VISA KHAPATNAM**

**(HYBRID HEARING)**

**श्री रवीश सूद, न्यायिक सदस्य एवं श्री एस बालाकृष्णन, लेखा सदस्य के समक्ष  
BEFORE SHRI RAVISH SOOD, HON'BLE JUDICIAL MEMBER**

**&**

**SHRI S BALAKRISHNAN, HON'BLE ACCOUNTANT MEMBER**

**आयकर अपीलसं./I.T.A.No.174/VIZ/2025**

<b>Hatchlab Research Centre</b> R.K. Galleria, 2 <sup>nd</sup> , 3 <sup>rd</sup> & 4 <sup>th</sup> Floor Srinivasa Nagar, Bank Colony Service Road, Vijayawada Kirshna – 520001 Andhra Pradesh  [PAN:AAFCH8337P]	v.	<b>Commissioner of Income Tax (Exemption)</b> Hyderabad
<b>(अपीलार्थी/ Appellant)</b>		<b>(प्रत्यर्थी/ Respondent)</b>

करदाता का प्रतिनिधित्व/ Assessee Represented by	:	None
राजस्व का प्रतिनिधित्व/ Department Represented by	:	Dr. Satyasai Rath, CIT(DR)
सुनवाई समाप्त होने की तिथि/ Date of Conclusion of Hearing	:	08.07.2025
घोषणा की तारीख / Date of Pronouncement	:	18.07.2025

**आदेश /ORDER**

**PER SHRI S BALAKRISHNAN, ACCOUNTANT MEMBER:**

1. This appeal is filed by the assessee against rejection order of Learned Commissioner of Income Tax (Exemption), Hyderabad [hereinafter in short

“Ld.CIT(E)”] vide DIN & Notice No. ITBA/EXM/F/EXM45/2024-25/1073244030(1) dated 13.02.2025 seeking registration under section 12AB of the Income Tax Act, 1961 (in short ‘Act’).

2. Briefly stated facts of the case are that the assessee has filed an e-application in Form No.10AB seeking registration under section 12AB of the Act. The Ld.CIT(E) issued notices to the assessee in respect of proceedings under section 12A(1)(ac)(iii) of the Act to produce the copy of Memorandum of Association/Trust Deed for verification and to furnish a detailed reply on the specific information called for in the said notice. In response, assessee has submitted some of the details as called for. Subsequently, another notice dated 24.12.2024 was issued to the assessee to submit the full information as per the notices issued. In response, assessee furnished its reply in compliance to the notice issued by the Ld.CIT(E). On a perusal of the submissions of the assessee, Ld.CIT(E) rejected the application filed in Form-10AB for registration under section 12AB of the Act.

3. Aggrieved by the rejection order, assessee filed an appeal before us and raised following grounds in its appeal: -.

*“1. The order of the Commissioner of Income tax (Exemptions) dated 13/02/2025, purported to be under Sec. 12AB of Income tax Act, 1961, rejecting the appellant's application in Form No10AB u/s 12(1)(ac)(iii) seeking registration, is contrary to law, facts of the case and material on record.*

2.
  - (i). *The CIT(E) is not justified in not allowing reasonable opportunity of being heard to the appellant before rejecting the application for registration u/s 12 AB of the Act. The CIT(E) failed to appreciate that the appellant had categorically stated that any further information as may be required shall be submitted on request.*
  - (ii). *The learned CIT(E) was not justified in rejecting the appellant's request for registration without appreciating the appellant's objectives in proper perspective.*
  - (iii). *The CIT(E) blatantly erred in observing that the appellant failed to furnish details called for without appreciating that the appellant had submitted all the details along with necessary supporting evidence on 20/01/2025.*
  - (iv). *The CIT(E) erred in not specifying how the activities of the appellant were against the objectives of the Appellant warranting rejection of request for registration.*

3. *For these ground and such other grounds as may be adduced either before or during the appellate proceedings, the appellant prays that the ITAT may be pleased to cancel the order of rejection of registration passed by CIT(E) with a direction to pass fresh order in accordance with law and render justice.”*

4. The only issue contested by the assessee is with respect to rejection of the Registration under section 12AB of the Act by the Ld.CIT(E).

5. In spite of issue of notice none appeared on behalf of assessee nor any adjournment was sought. Therefore, we proceed to dispose of this appeal on hearing the Ld. DR.

6. Ld. Departmental Representative [hereinafter in short “Ld. DR”] heavily relied on the order of the Ld. CIT(E) and prayed to sustain the order of the Ld.CIT(A).

7. We have heard Ld. DR and perused the material available on record. We find that Ld. CIT(E) while rejecting the application in Form 10AB for the purpose of Registration of the society under section 12AB of the Act has observed as follows: -

*“3. On perusal of the submissions made by the assessee, it is observed that activities are not commensurate with the activities as per objectives of the registered Deed/MOA/AOA, which is not as per the provisions of the section 12AB of the IT Act, 1961. In view of the above, the present application in form 10AB for registration u/s. 12AB is herewith rejected.”*

8. On a perusal of the Ld. CIT(E) order, we find that he has not discussed anything except stating that the activities are not commensurate with the activities as per objectives of the registered Deed/MOA/AOA. Ld. CIT(A) has not specified how the assessee's activities cannot be deciphered as charitable in nature. Ld.CIT(E) has simply rejected the assessee's application which, in our considered opinion is not correct. Therefore, in the interest of natural justice, we find it appropriate to grant another one more opportunity to the assessee to submit the relevant documents including the evidences as detailed in the notices. Accordingly, we grant one more opportunity to the assessee and thereby set-aside the impugned order and restore the matter back to the file of Ld.CIT(E) with a direction to provide one more opportunity to the assessee to furnish required details and to decide the case on merits by passing a speaking order. Assessee is

also directed to fully cooperate and furnish necessary documents / information as required by the Ld.CIT(E).

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

Order pronounced in the open court on 18<sup>th</sup> July, 2025.

Sd/-  
(रवीश सूद)

(RAVISH SOOD)

न्यायिक सदस्य/JUDICIAL MEMBER

Dated: 18.07.2025  
Giridhar, Sr.PS

Sd/-

(एस बालाकृष्णन)

(S. BALAKRISHNAN)

लेखा सदस्य/ACCOUNTANT MEMBER

आदेशकी प्रति लिपि अग्रेषित/ Copy of the order forwarded to:-

1. निर्धारिती/ The Assessee : **Hatchlab Research Centre**  
R.K. Galleria, 2<sup>nd</sup>, 3<sup>rd</sup> & 4<sup>th</sup> Floor  
Srinivasa Nagar, Bank Colony  
Service Road, Vijayawada  
Kirshna – 520001  
Andhra Pradesh
2. राजस्व/ The Revenue : **Commissioner of Income Tax (Exemption)**  
Hyderabad
3. The Principal Commissioner of Income Tax
4. विभागीयप्रतिनिधि, आयकरअपीलीयअधिकरण, विशाखापटणम /DR,ITAT, Visakhapatnam
5. The Commissioner of Income Tax
6. गार्डफ़ाईल / Guard file

आदेशानुसार / BY ORDER

Sr. Private Secretary  
ITAT, Visakhapatnam