

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'A', NEW DELHI**

**BEFORE SHRI MAHAVIR SINGH, HON'BLE VICE-PRESIDENT  
&  
MRS. RENU JAUHRI, HON'BLE ACCOUNTANT MEMBER**

ITA No. 2234/DEL/2025; Assessment Year: 2017-18

<b>Shri Mukut Behari Lal Bhargava</b> LCG 05, 04B, Laburnum Complex 4 <sup>th</sup> Floor, Sushant Lok I Block A Sector-28 Gurgaon-122009 Haryana (APPELLANT)	Vs	<b>ACIT, Circle 3(1)</b> HSIIDC Building Udyog Vihar Gurgaon Haryana (RESPONDENT)
PAN No. <b>ADIPB9356P</b>		

Assessee by : **Shri Sanjeev Grover, CA**

Revenue by : **Shri Ajay Kumar Arora, Sr. DR**

Date of Hearing: 07.01.2026	Date of Pronouncement: 07 .01.2026
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**ORDER**

**PER RENU JAUHRI :**

The above captioned appeal is preferred before the Tribunal by the assessee against the order dated 04.03.2025, passed by Ld. CIT(A)/NFAC, Delhi u/s 250 of the Income Tax Act, 1961 (hereinafter referred to as, "Act") in Appeal No. CIT (A), Gurgaon- 1/11594/2019-20 for A.Y. 2017-18.

2. The Assessee has raised grounds of Appeal which are reproduced as below:

“ **Ground No. 1**

*That on the facts and circumstances of the case and in law, the Learned CIT (Appeals NFAC) has erred in confirming the addition of Rs. 1,25,48,508/- made by the learned ACIT, on*

*account of disallowances of set off of B/f short term loss Rs. 98,292/- and long-term capital loss Rs. 1,24,50,216/-*

***Facts of Ground No 2 &3***

*During the year under review, a sum of Rs.3,10,50,000/- was given as a donation to the Letz Dream Foundation and Rs. 7.60,000/- to the Parivaar Education Society. The deductions were claimed u/s 80G and u/s 80GGA, respectively.*

***Ground No. IV That the Ld. ACIT grossly erred in initiating penalty proceedings u/s 271 () (c) of the Act, which is consequential.”***

3. Brief facts are that the assessee filed his return for A.Y. 2017-18 on 30.07.2017 declaring an income of Rs. 68,30,670/-. The case was selected for scrutiny and Ld. AO noted that the assessee had claimed B/f short term capital loss (STLC) issues comprising of Rs. 98,292/- and long term capital gains (LTCG) of Rs. 1,24,50,216/- which have been set off against long term capital loss (LTCL) during the year. Ld. AO observed that in A.Y. 2015-16, the assessee had filed belated return, therefore, benefit of carry forward of losses was not available in view of provisions of section 80 of the Act. As the assessee did not submit any reply to the notices issued, Ld.AO disallowed the Short Term Capital Loss (STCL) of Rs. 98,292/- and LTCL of Rs. 1,24,50,216/-. Further, claim of deduction u/s 80G of Rs. 2,37,364/- and u/s 80GGA of Rs.7,60,000/- were also examined. Deduction u/s 80G of Rs. 2,37,364/- paid to Letz Dream Society, Kolkata and Rs. 7,60,000/- paid to the Parivaar Education Society and claimed u/s 80GGA were disallowed as the assessee did not furnish approvals of the Competent Authority in respect of donee entities. Assessment was completed u/s 143(3) at an income of Rs. 2,03,76,542/-. Aggrieved, the assessee preferred an appeal before Ld. CIT(A). However, Ld. CIT(A) dismissed the assessee's appeal on both the grounds vide order dated 04.03.2025. Further aggrieved, the assessee is in appeal before the Tribunal.

**4. Ground No. 1: Disallowance of B/f Losses: Rs. 98,292/- [STCL] and Rs. 1,24,50,216/- [LTCL]**

Brief facts are that the assessee had claimed B/f LTCL and STCL which were not allowed to be set off against LTCG in this year on the ground that return for AY 2015-16 was filed belatedly. In this regard, following details were submitted by the assessee before Ld. CIT(A):

Assessment Year	Brought Forward Long Term Capital Loss	Brought Forward Short Term Capital Loss	Due date of Filing Income Tax Return	Extended date of Filing Income Tax Return	Date of Filing Return
2012-13	23,18,592/-	Nil	31/07/2012	NA	24/07/2012
2013-14	48,60,658/-	Nil	31/07/2013	05/08/2013*	03/08/2013
2014-15	77,57,047/-	98,292/-	31/07/2014	NA	12/07/2014
2015-16	1,48,754/-	Nil	31/07/2015	07/09/2015**	29/08/2015

4.1 Before us, Ld. AR submitted copies of CBDT notifications dated 31.07.2013 and 02.09.2015 in support of the claim that the due dates for filing of returns had been extended for A.Y. 2013-14 and 2015-16 and, therefore, the returns filed by the assessee were within the extended time as is evident from above chart.

4.2 Ld. DR on the other hand, has relied on the orders of the lower authorities and submitted that no reply was filed by the assessee before the Ld. AO and hence claim of set off of B/f losses was disallowed.

4.3 We have heard the rival submissions and perused the material placed before us. From the copies of CBDT notifications, it is clear that due date for filing of return had been extended to 05.08.2013 for A.Y. 2013-14 and 07.09.2015 for A.Y. 2015-16 whereas the assessee had filed his returns for these years on 03.08.2013 and 29.08.2015 respectively. Accordingly, the benefit of set off of B/f losses cannot be denied to him as the returns were filed within the

extended time limit. We, therefore, direct the Ld. AO to allow the set off of B/f STCL of Rs. 98,292/- and LTCL of Rs. 1,24,50,216/- against long term capital gains during the year.

In the result, this ground is decided in favour of the assessee.

5. **Ground No. 2 & 3 : Disallowance of Deductions u/s 80G & 80GGA**

Brief facts of this issue are that the assessee had claimed deduction of Rs.2,37,364/- u/s 80G and Rs. 1,77,60,000/- u/s 80GGA of the Act. In response to the query of Ld. AO, the assessee submitted 80G approval of CIT, Thane in respect of Letz Dream Foundation to which Rs. 3,10,50,000/- had been paid but the claim was restricted to Rs. 2,37,364/-. Further, donation of Rs. 7,60,000/- was made to Parivaar Education Society, Kolkata but no approval or other evidence regarding validity of claim was furnished before Ld. AO. Hence, total disallowance of Rs. 9,97,364/- was made vide order u/s 143(3) dated 25.12.2019. The Ld. AO observed that the approval letter dated 30.10.2008 in respect of Letz Dream Foundation was valid only for the period 01.04.2008 to 31.03.2011 whereas the donation was made in F.Y. 2015-16. Ld. CIT(A) dismissed the assessee's appeal as no evidence was furnished before him also.

5.1 Before us, Ld. AR has filed a copy of the CBDT Circular No. 07/2010 dated 27.10.2010 whereby the approvals granted u/s 80G after 01.12.2006 were treated as one time approval and existing approvals expiring after 01.10.2009 were deemed to have been extended in perpetuity unless specifically withdrawn. In view of above, the approval of Letz Dream Foundation was valid during the period under consideration. Hence, deduction of Rs. 2,37,364/- u/s 80G deserves to be allowed.

5.1.1 With regards to the deduction of Rs. 7,610,000/- made to Parivaar Education Society, a copy of the receipt dated 29.03.2017 has been filed along

with Form 58A stating that the donation has been received towards approved project u/s 35AC of the Act.

In view of above, Ld. DR argued that deductions claimed u/s 80G and 80GGA have to be allowed.

5.2 On the other hand, Ld. DR has relied on the orders of the lower authorities and argued that requisite documents were not filed before Ld. AO and hence, he rightly disallowed the claim of deduction u/s 80G & 80GGA of the Act.

5.3 We have heard the rival submissions and perused the material placed on record. We are of the considered view that in view of the CBDT Circular extending the approvals u/s 80G in perpetuity, the donation of Rs. 2,64,114/- to Letz Dream Foundation is eligible for deduction as the organization has valid approval for the year under consideration. Similarly, in view of the certificate issued by Parivaar Education Society, claim of deduction of Rs. 7,60,000/- u/s 80GGA is also allowable. Hence, this ground of appeal is also allowed.

6. In the result, appeal of the assessee is allowed.

Order pronounced in the Open Court on 07 -01-2026.

**Sd/-**  
**(MAHAVIR SINGH)**  
**Vice President**

**Sd/-**  
**(RENU JAUHRI)**  
**Accountant Member**

Dated: 28.01.2026

Pooja Mittal

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asstt. Registrar, ITAT, New Delhi