

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'E': NEW DELHI**

**BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT
AND
SHRI MANISH AGARWAL, ACCOUNTANT MEMBER**

ITA No.7584/Del/2025
(ASSESSMENT YEAR : NA)

M/s C. Dass Foundation H.No.5L-156, NIT Faridabad, Haryana-121001. PAN-AACAC4715H	Vs.	CIT (Exemption), Chandigarh.
(Appellant)		(Respondent)
Assessee by	Dr. Rakesh Gupta, Adv., Shri Somil Agarwal, Adv. and Shri Saksham Agarwal, CA.	
Department by	Shri Sumer Singh Meena, CIT-DR	
Date of Hearing	30/03/2026	
Date of Pronouncement	30/03/2026	

ORDER

PER MANISH AGARWAL, AM:

This appeal is filed by the assessee against order of Learned Commissioner of Income Tax (Exemptions), Chandigarh dated 04.11.2025 rejecting the registration of approval u/s 12A(1)(ac)(iii) of the Income Tax Act, 1961 ("the Act" in short).

2. Before us, it was argued by the Ld. AR that only one opportunity was provided by Ld. CIT(E) wherein the assessee was asked to file certain details. In compliance, the assessee has filed all the details as called for which includes the Memorandum of the society, Financial statements and the charitable activities carried out by the assessee society. However, the Ld. CIT(E) without making any further enquiry or confront the assessee, has rejected the application for registration u/s 12A of the Act. The Ld. CIT(E) concluded that assessee has not carried its activity for general public

utility and for charitable purposes. Ld. AR that after filing the submissions in response to notice dated 16.09.2025, the Ld. CIT(E) has not issued any show cause notice on various issues on which it was alleged that the activity of the assessee society were not carried out for charitable purposes or are not genuine. Ld. AR drew our attention to various photographs placed in the paper book which were field before the ld. CIT(E) in support of the charitable activities carried out by the assessee society however, they were not appreciated by ld. CIT(E) before rejecting the application. Ld. AR, therefore, submits that proper opportunities of being heard to the assessee should be provided before deciding the application for registration u/s 12A of the Act filed by the assessee. He prayed accordingly.

3. On the other hand, Ld. CIT-DR submits that in the notice dated 16.09.2025 itself, it was stated that the same is in the nature of show cause and assessee was asked to substantiate the nature and genuineness of the charitable activities carried out by the assessee society and when the ld. CIT(E) found the activities of the society were not carried out for charitable purposes, the application was rejected. He, therefore, requested to confirm the order of Ld. CIT(E).

4. Heard the parties and perused the materials available on record. From perusal of the order of Ld. CIT(E), it is observed that the assessee has filed application for registration u/s 12A dated 27.08.2025. thereafter, the Ld. CIT(E) vide questionnaire dated 16.09.2025 asked the assessee to file various details. Copy of the said notice is reproduced at pages 3 to 6 of the order. In response, the assessee filed reply dated 29.09.2025. Ld. CIT(E) after considering the submissions has rejected the application of the assessee for registration u/s 12A of the Act vide order dated 04.11.2025. It is observed that Ld. CIT(E) has doubted the activities of the assessee society, however, no clarification / further information was sought before reaching

to the conclusion that the activities carried out by the assessee society are not for the charitable purposes. w

5. In view of these facts, we are of the considered opinion that assessee society was not provided sufficient opportunity of being heard before rejecting the application for registration u/s 12A of the Act. Accordingly, we set aside the order of the Ld. CIT(E) and remand the issue to the file of Ld. CIT(E) with the directions to provide reasonable opportunity of being heard to the assessee society before deciding the application of the assessee. Ld. CIT(E) is further directed to show cause the assessee seeking clarification about the activities and other issues which are doubted in the present order and after making proper and adequate enquiries, decide the application filed by the assessee for registration u/s 12A of the Act in accordance with law. With these directions, all the Grounds of appeal of the assessee are allowed for statistical purposes.

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

Order pronounced in the open court on 30.03.2026.

Sd/-
(MAHAVIR SINGH)
VICE PRESIDENT

Sd/-
(MANISH AGARWAL)
ACCOUNTANT MEMBER

Dated: 02.04.2026.

PK/ Sr. Ps

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR
ITAT NEW DELHI