

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

**BEFORE MS. MADHUMITA ROY, HON'BLE JUDICIAL MEMBER  
&  
SHRI NAVEEN CHANDRA, HON'BLE ACCOUNTANT MEMBER**

ITA No. **5874/DEL/2025** ; Assessment Year: **2019-20**

<b>Delhi E-Governance Society</b> Department of Information & Technology, Govt. of NCT of Delhi 9 <sup>th</sup> Floor B wing Delhi Secretariate, I.P. Estate, New Delhi- 02	Vs	<b>AO</b>
(APPELLANT)		(RESPONDENT)
PAN No. <b>AAAAD8365L</b>		

Assessee Represented by : **Sh. Narender Chillar, Adv.**  
**Sh. Aditi Ranjan, CA**

Revenue/Department Represented by : **Sh. Muneesh Rajani, Sr. DR**

Date of Hearing: **21.01.2026**

Date of Pronouncement: **18.02.2026**

**ORDER**

**PER NAVEEN CHANDRA [A. M]:**

The above captioned appeal is preferred by the assessee against the orders dated 12.01.2024, by Ld. CIT(A)/NFAC, Delhi u/s 250 of the Income Tax Act, 1961 [hereinafter referred to as, "Act"] for A.Y. 2019-20. The assessment was framed by the Assessing Officer [for short, AO] u/s 143(1) of the Act.

2. At the threshold, it is noted that the appeal is time-barred by 110 days. A petition for condonation of delay has also been filed by the assessee. The Ld. AR of the assessee submitted that there is a delay of 110 days. Considering the reasons enumerated in the condonation petition that the assessee had no knowledge about the issue of communication as the same was sent to outdated email address associated with former official. Considering the reason as sufficient cause, the delay is condoned.

3. The assessee has raised following grounds of appeal:

**"1. That the Ld. CIT(A) has erred in law and on facts in upholding denial of exemption u/s 11 of the Income Tax Act, 1961, despite the appellant being a registered charitable institution wholly engaged in public service activities.**

**2. That the Ld. CIT(A) has erred in confirming the adjustment made u/s 143(1) disallowing exemption u/s 11 on the ground of alleged non-filing of prescribed forms, ignoring that Form 10B was filed on 26.11.2020 and Form 10 was filed on 27.11.2020, both prior to processing of the return on 02.02.2021. Procedure lapses and delay in filing can't debar statutory benefits.**

**3. That the Ld. CIT(A) has failed to appreciate that any procedural delay was only due to difficulties during the COVID-19 pandemic and once the forms were duly filed before return processing, the exemption could not be denied.**

**4. That the Ld. CIT(A) erred in confirming the disallowance of statutory accumulation of 15% u/s 11(1)(a) amounting to 199,45,983/-, which is allowable as a matter of right and does not require filing of Form 10.**

**5. That the Ld. CIT(A) further erred in upholding the disallowance of accumulation of income u/s 11(2) amounting to ₹3,33,71,275/- and the application of income towards charitable**

purposes amounting to 2,29,89,296/-, despite the fact that the appellant had duly complied with the conditions prescribed u/s 11(5) of the Act. It is a settled principle that what can be brought to tax is only the surplus, if any, after application and permissible accumulation of income, and not the gross receipts themselves. The action of treating gross receipts as taxable runs contrary to the scheme and intent of sections 11 to 13 of the Income-tax Act, 1961.

6. That the notices in the present case were either uploaded mechanically on the portal without proper and effective intimation, or were sent on outdated email IDs of employees who have already left, resulting in failure of due service. The appellant, therefore, was deprived of a real and effective opportunity to respond. Passing of the impugned order in such circumstances is not merely a procedural irregularity but goes to the root of jurisdiction, rendering the order null and void. It is respectfully submitted that an order passed in violation of the audi alteram partem rule - the most fundamental principle of natural justice cannot be sustained in law.

7. The appellant craves leave to amend, alter or add any additional grounds of appeal at the time of hearing."

4. The Ld. Counsel of the assessee has pointed out that while processing the return u/s 143(1) of the Act, the AO CPC denied the exemption claimed u/s 11 of the Act. It is stated that the Ld. CIT(A) had dismissed the appeal on the ground that Form No. 10B/10 was not filed within due date and the confirmed the denial of exemption claimed u/s 11 of the Act. It was also pointed out by the Ld. AR that the appeal has been dismissed *ex-parte* as the assessee could not attend appellate proceedings because of the reasons cited in the condonation petition. Per contra, the Ld. DR relied on the orders of the lower authorities.

5. We have heard the rival submissions and perused the material available on record. We find that the assessee was not granted adequate opportunities to represent itself as the assessee was bona-fidely unaware of the notices sent to it on outdated email ids of erstwhile employees. Therefore, to meet the principles of natural justice, we are of the considered view that the assessee may be granted another opportunity to represent its cases. We therefore, direct the Ld. CIT(E) to afford three effective opportunities to the assessee to represent its case and adjudicate on the issues afresh. The assessee is also directed to avail the opportunities and present its documents/evidence as required by the Ld. CIT(E).

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

Order pronounced in the Open Court on 18.02.2026.

**Sd/-**  
**(MADHUMITA ROY)**  
**JUDICIAL MEMBER**

Dated: 18.02.2026

Pooja Mittal

Copy forwarded to:

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

**Sd/-**  
**(NAVEEN CHANDRA)**  
**ACCOUNTANT MEMBER**

Asstt. Registrar, ITAT, New Delhi