

आयकर अपीलिय अधिकरण, 'ए' न्यायपीठ, चेन्नई  
**IN THE INCOME TAX APPELLATE TRIBUNAL  
'A' BENCH, CHENNAI**

श्री महावीर सिंह, उपाध्यक्ष एवं श्री मनोज कुमार अग्रवाल, लेखा सदस्य के समक्ष  
**BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT AND  
SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.: 885/CHNY/2024

**M/s. Perur Sundaram Iyer  
Charitable Trust,**  
8 Mahalakshmi Layout,  
422/2 Subramaniyampalayam  
Road, Gnanambikai Mills Post,  
Coimbatore – 641 029.

**The Commissioner of  
Income Tax (Exemption),  
Chennai**

**PAN: AABTP 7573L**

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellants by : Shri Girish Kumar, Advocate  
प्रत्यर्थी की ओर से/Respondent by : Shri Nilay Baran Som, CIT

सुनवाई की तारीख/Date of Hearing : 24.06.2024  
घोषणा की तारीख/Date of Pronouncement : 24.06.2024

**आदेश /ORDER**

**PER MAHAVIR SINGH, VICE PRESIDENT:**

This appeal by the assessee is arising out the order of the Commissioner of Income Tax (Exemption), Chennai dated 20.03.2024, rejecting Form No.10AB filed for seeking registration/approval/recognition u/s.12A(1)(ac)(iii) of the Act.

2. The only issue in this appeal of assessee is as regards to the order of CIT(E) rejecting the assessee's applications filed in Form

No.10AB dated 02.09.2023 in seeking recognition u/s.12A(1)(ac)(iii) of the Act for the reason that the assessee's trust is for the purpose of charitable trust with religious objects. For this, assessee has raised various grounds which are argumentative, factual and hence, need not be reproduced.

3. We have heard both the sides and gone through facts and circumstances of the case. We noted that the assessee filed online application dated 02.09.2023 in Form No.10AB u/s.12A(1)(ac)(iii) of the Act, seeking registration u/s.12AB of the Act. The CIT(E) while processing the application, issued show-cause notice stating that as per Form No.10AB, column 3, the trust has declared the nature of activities as 'charitable' but one of the objects of the trust in column 5 is 'religious' and hence as per the provisions of the Act, the trust or institute can apply for registration either as 'charitable or religious or charitable cum religious' but it cannot apply for charitable trust with religious objects. In reply, the assessee stated that the trust may be granted as 'charitable cum religious' trust status since one of the clauses has glimpse of religious activities. This fact is noted by CIT(E). Finally, the CIT(E) rejected the application by giving the following reasons:-

*“i) The applicant in the application filed in Form 10AB mentioned the nature of activity of the trust as ‘Charitable’ but in the object column, it has mentioned ‘Religious’ as one of the objects.*

*iii) When the mistake was pointed out to the applicant, it has requested that registration may be granted to the trust as Charitable cum Religious Trust. However, the same cannot be accepted for the following reasons.*

*iv) As per the provisions of the Income Tax Act, 1961, a trust or institutions can apply for registration either as Charitable or Religious or Charitable cum Religious but cannot apply for Charitable Trust with Religious objects.*

*v) The CIT (E) can grant registration only based on the application filed by the applicant in Form 10AB. The System also process the application based on the application filed by the applicant. Processing of application and granting of registration are carried in ITBA and there is no functionality available in the system to change the objects mentioned in Form 10AB other than applied in the application filed in Form 10AB and grant registration.*

*vi) Hence, the applicant's request for granting registration as Charitable cum Religious cannot be accepted. In view of the above, the application in Form No. 10AB filed by the applicant on 02.09.2023 cannot be processed*

4. The assessee now before us contended that the activities of assessee's are charitable as well as religious and hence, there is no bar in the provision of the Act for registration of trust being 'charitable cum religious' trust. As the purpose or activities of the trust is 'charitable cum religious', the trust can be registered u/s.12A of the Act. Hence, we set aside the order of CIT(E) and remand the matter back to his file for examining the genuineness of activities of the trust. Even otherwise, the order of CIT(E) has not examined the activities either charitable or religious and without that, he reached

to a conclusion. Hence the order of CIT(E) is set aside and matter remanded back to his file for fresh adjudication.

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

Order pronounced in the open court at the time of hearing on 24<sup>th</sup> June, 2024 at Chennai.

Sd/-

(मनोज कुमार अग्रवाल)

**(MANOJ KUMAR AGGARWAL)**

लेखा सदस्य/ACCOUNTANT MEMBER

Sd/-

(महावीर सिंह)

**(MAHAVIR SINGH)**

उपाध्यक्ष /VICE PRESIDENT

चेन्नई/Chennai,

दिनांक/Dated, the 24<sup>th</sup> June, 2024

**RSR**

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त /CIT, Coimbatore
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF.