

आयकर अपीलीय अधिकरण, हैदराबाद पीठ
IN THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad 'A' Bench, Hyderabad

श्री रविश सूद, न्यायिक सदस्य एवं
श्री मधुसूदन सावडिया, लेखा सदस्य के समक्ष ।
BEFORE SHRI RAVISH SOOD, JUDICIAL MEMBER AND
SHRI MADHUSUDAN SAWDIA, ACCOUNTANT MEMBER

आ.अपी.सं / **ITA Nos.1082 & 1083/Hyd/2025**
(निर्धारण वर्ष / Assessment Year: 2025-26)

M/s. Sri Mallikarjuna Swamy Devasthanam, Karimnagar. PAN: AAMTSO172M	Vs.	Commissioner of Income Tax (Exemption), Hyderabad.
(Appellant)		(Respondent)
निर्धारिती द्वारा / Assessee by:	Shri K.A. Sai Prasad, C.A.	
राजस्व द्वारा / Revenue by:	Ms. U. Mini Chandran, CIT-DR	
सुनवाई की तारीख / Date of hearing:	04/09/2025	
घोषणा की तारीख / Pronouncement:	10/09/2025	

आदेश/ORDER

PER MADHUSUDAN SAWDIA, A.M.:

These appeals are filed by M/s. Sri Mallikarjuna Swamy Devasthanam (“the assessee”), feeling aggrieved by the separate orders passed by the Learned Commissioner of Income Tax (Exemptions), Hyderabad (“Ld. CIT(E)”), dated 12.03.2025 & 17.03.2025 for the A.Y. 2025-26 respectively. Since the issues involved in both these appeals are identical and belong to the same assessee, one consolidated order is being passed for the sake of convenience and brevity.

2. At the outset, it is observed that there is a delay of 27 days in filing of both the present appeals before this Tribunal. The assessee has filed a petition for condonation of delay along with a supporting affidavit explaining the reasons for the delay. The Learned Authorised Representative (Ld. AR) submitted that the assessee is a temple, not having any computer facilities of its own. The executive officer of the assessee had handed over the documents for preparation and filing of the appeals before the Tribunal to its tax consultant. However, the consultant, instead of sending the documents physically for signatures, forwarded them through e-mail. Due to lack of computer facility with the assessee and certain technical issues, the papers could not be downloaded. Later, the papers were received in physical form from the consultant and, after obtaining the necessary signatures, the appeals were filed. It was contended that in this process, a delay of 27 days occurred. The Ld. AR submitted that the delay was neither wilful nor deliberate but occurred solely on account of administrative and technical difficulties. He, therefore, prayed for condonation of the delay and admission of the appeals for adjudication on merits.

3. Per contra, the Learned Departmental Representative (Ld. DR) fairly submitted that she has no objection to the delay being condoned, in view of the explanation tendered by the assessee.

4. We have considered the submissions of both the sides and perused the affidavit placed on record. We find that the assessee has explained the reasons for the delay, which arose due to lack of computer facilities and technical difficulties in downloading the documents initially sent through e-mail by its tax consultant. Subsequently, upon receipt of physical copies, the appeals were duly signed and filed. In our considered view, the explanation offered by the assessee constitutes a reasonable cause within the meaning of law. Further, since the Ld. DR has not raised any serious objection, and keeping in mind that substantive justice should prevail over technicalities, we are inclined to condone the delay. Accordingly, the delay of 27 days in filing of both the appeals is condoned. The appeals are admitted for adjudication on merits.

ITA No.1082/Hyd/2025:

5. The assessee has raised the following grounds of appeal :

1. The order dated 12.03.2025 passed by the Ld. CIT(Exemptions), Hyderabad rejecting the appellant's application dt: 09.09.2024 in Form 10AB under Section 12A(1)(ac)(iii) is bad in law, arbitrary and against the principles of natural justice.
2. The Learned CIT (Exemptions) erred in law and on facts in rejecting the application for registration under Section 12AB solely on the ground that the application in Form 10AB was filed beyond the prescribed time limit under Section 12A(1)(ac)(iii), without appreciating that the delay, if any, was purely technical and inadvertent and that the application was filed well within the six months prior to expiry of provisional registration.
3. Without prejudice to Ground No. 2, the Ld. CIT(Exemptions) erred in holding that the application in Form 10AB was time-barred, ignoring that the appellant is an existing trust which had already commenced its activities and therefore, under the correct interpretation, was only required to apply six months prior to the expiry of provisional registration—a condition duly fulfilled.
4. The Learned CIT (Exemptions) failed to record any finding with respect to the genuineness of the appellant's activities or its compliance with the substantive conditions of the Act, despite the fact that all required documents and evidences were duly furnished in response to the notices issued.
5. The appellant craves leave to add, amend, modify, rescind, supplement or alter any or more grounds of appeal stated herein above either before or at the time of hearing of this appeal.
6. **The brief facts of the case are that, the assessee is a public religious institution, was granted provisional registration under section 12AB of the Income Tax Act, 1961 (“the Act”) vide Form**

No.10AC dated 05.12.2022 by CPC for the Assessment Years 2023-24 to 2025-26. Subsequently, the assessee applied for regular registration under section 12AB of the Act in Form 10AB on 09.09.2024. The Ld. CIT(E) rejected the said application by order dated 12.03.2025 in Form No.10AD holding that the assessee had applied beyond the prescribed time limit.

7. Aggrieved with the order of Ld. CIT(E), the assessee is in appeal before this Tribunal. The Ld. AR submitted that the assessee had been granted provisional registration valid up to 31.03.2025. As per section 12A(1)(ac)(iii) of the Act, the assessee was required to apply for final registration either within six months from commencement of its activities or at least six months prior to expiry of the provisional registration, whichever is earlier. It was contended that the assessee had already commenced its activities before 01.04.2021 i.e., prior to the introduction of the new provisions by the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020, w.e.f. 01.04.2021. Therefore, the condition linked to “commencement of activities” is not applicable to institutions already in existence prior to 01.04.2021. The Ld. AR

further submitted that the limitation in assessee's case was governed by the condition of applying at least six months before expiry of provisional registration, i.e., on or before 30.09.2024. Since the assessee applied on 09.09.2024, the application was filed well within time. In support, reliance was placed on the decision of this Tribunal in the case of Vijaya Rajam Foundation vs. CIT (Exemption), ITA No.629/Hyd/2025, order dated 02.07.2025, wherein the Tribunal at para nos. 5 and 6 held that for institutions which are already carrying on activities, the limitation with respect to date of commencement of activities is not relevant. Accordingly, the Ld. AR prayed that the order of the Ld. CIT(E) be set aside and the matter may be restored to his file for decision on merits after granting adequate opportunity of hearing.

8. Per contra, the Ld. DR supported the order of the Ld. CIT(E). It was submitted that Form No.10AB filed by the assessee was beyond the limitation prescribed under the Act, and hence the rejection order does not suffer from any infirmity.

9. We have considered the rival submissions and perused the material available on record. It is an admitted position that the assessee was granted provisional registration under section 12AB of the Act, which was valid up to 31.03.2025. Therefore, the assessee was required to apply for final registration either within six months of commencement of its activities or at least six months prior to expiry of the provisional registration, whichever is earlier. It is also undisputed that the assessee's activities had already commenced prior to 01.04.2021. We have gone through para nos.5 & 6 of the order of this Tribunal in the case of Vijaya Rajam Foundation (supra), which are to the following effect :

“ 5. We have considered the rival contentions and carefully perused the impugned order of the learned CIT (Exemption). The assessee was granted provisional registration/approval in Form 10AC on 22/06/2022 valid from A.Y 2023-24 to A.Y 2025-26. Thereafter, the assessee filed the application in Form 10AB seeking regular approval u/s 80G of the Act on 28/09/2024 which was rejected by the learned CIT (Exemption) as under:

“The assessee has filed an e-application in Form No.10AB seeking registration u/s 80G of the Income-Tax act, 1961.

2. Notices dated 03.12.2024 and 17.02.2025 were issued in respect of proceedings u/s 80G(5)(iii) to the address mentioned in the Form 10AB 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.

3. In response to the above notice, the assessee submitted his reply. On perusal of the submissions made by the assessee, it is observed that the CPC has issued provisional registration in form 10AC dated 22.06.2022 valid from AY 2023-24 to AY 2025-26. As per the finance Act, 2020, the assessee should have applied form 10AB for regular registration u/s 80G, at least six months before the expiry of provisional registration or within six months from the date of commencement of activities, whichever is earlier. Further, the CBDT vide circular No. 7 of 2024 dated 25.04.2024 extended the time limit for filing of form 10A/10AB till 30.06.2024. However, the assessee has applied form 10AB for regular registration u/s 80G on 28.09.2024, i.e. beyond the time limit prescribed for filing of form 10AB.

4. Keeping in view of the above, as the assessee has made the application in form 10AB beyond the time limit prescribed, the present application in form 10AB for registration u/s 80G is herewith rejected.”

6. The learned CIT (Exemption) has given the reasons for treating the application as beyond the time limit extended by the CBDT, vide circular No.7/2024, dated 25/04/2024. It is pertinent to note that the Circular No.7 of 2024 of the CBDT extended the time limit for submitting the application in Form-10AB for the A.Y 2022-23 whereas in the case in hand, the provisional registration was granted from the A.Y 2023-24 to 2025-26. Therefore, the provisional registration was valid up to March, 2025 and the limitation for filing the application in Form-10AB was up to 30/09/2024 i.e. 6 months before the expiry of the provisional registration/approval. The other limitation provided for filing of Form 10-AB was in respect of the date of commencement of the activities of the Trust/Institution which is not relevant for the case of the assessee, due to the simple reason that the activities were already commenced in the case of the assessee prior to the provisional registration. Thus, the limitation extended by the CBDT Circular No.7/2024 is not for the application for approval/registration valid from A.Y 2023-24 onwards but it was for the A.Y 2022-23. By considering these facts as well as the earlier decisions of the Tribunal as relied upon by the assessee, we are of the considered view that the application filed by the assessee for regular

approval/registration u/s 80G of the Act on 28/09/2024 is within the limitation, being more than 6 months before the expiry of the provisional registration. Accordingly, in view of the above facts and circumstances, the impugned order of the CIT (Exemption) is set aside and the matter is remanded to the record of the CIT (E) for re-consideration of the application of the assessee for grant of regular registration/approval u/s 80G of the I.T. Act, 1961 on merits by considering all relevant facts, details and record.”

10. On perusal of above, we find that this Tribunal has held that for institutions which are already carrying on activities, the limitation with respect to date of commencement of activities is not relevant and the limitation period would be governed by the condition of applying at least six months before expiry of provisional registration. Therefore, respectfully following the ratio laid down therein, we hold that the only relevant condition in assessee's case for calculation of limitation period would be by applying six months before expiry of provisional registration i.e., on or before 30.09.2024. Since the assessee filed its application on 09.09.2024, the same was within the prescribed time limit. Therefore, the order of the Ld. CIT(E) rejecting the assessee's application as barred by limitation cannot be sustained. Accordingly, we set aside the impugned order and restore the matter to the file of the Ld. CIT(E) to treat the assessee's Form No.10AB as filed within limitation and to decide the application for registration

under section 12AB on merits. The Ld. CIT(E) shall provide due opportunity of being heard to the assessee before passing a fresh order.

11. In the result, the appeal of the assessee in ITA No.1082/Hyd/2025 is allowed for statistical purposes.

ITA No.1083/Hyd/2025 :

12. The assessee has raised the following grounds of appeal :

1. The order dated 17.03.2025 passed by the Ld. CIT(Exemptions), Hyderabad rejecting the appellant's Form 10AB application dt: 26.09.2024 under clause (iii) of Section 80G(5) is bad in law, arbitrary, and against the principles of natural justice.
2. The Learned CIT (Exemptions) erred in law and on facts in rejecting the application solely on the ground that it was filed beyond the prescribed time limit, without appreciating that any delay, if at all, was purely technical and the application was in fact filed within six months before the expiry of provisional approval.
3. Without prejudice to Ground No. 2, the Ld. CIT(Exemptions) failed to consider that the appellant is an existing trust which had already commenced its charitable activities, and hence, as per correct legal interpretation, was required only to apply six months before the expiry of provisional registration—a condition that was duly met.

4. The Ld. CIT(Exemptions) failed to examine or record any finding on the genuineness of the appellant's activities or its compliance with the substantive provisions of the Act, despite the fact that all necessary documents and explanations were furnished during the proceedings.
5. The appellant craves leave to add, amend, modify, rescind supplement or alter any or more grounds of appeal stated herein above either before the bench or date of hearing of this appeal.

13. The issues involved in this appeal is identical to the issues involved in the appeal in ITA No.1082/Hyd/2025, wherein we have allowed the appeal of the assessee for statistical purposes. Therefore, our discussion and findings in ITA No.1082/Hyd/2025 are mutatis mutandis applicable to this appeal also. As the appeal of the assessee in ITA No.1082/Hyd/2025 has been allowed for statistical purposes, this appeal is also allowed for statistical purposes.

14. In the result, both the appeals of assessee are allowed for statistical purposes.

Order pronounced in the open Court on 10th Sept., 2025.

Sd/-

Sd/-

(RAVISH SOOD)
JUDICIAL MEMBER

(MADHUSUDAN SAWDIA)
ACCOUNTANT MEMBER

Hyderabad.

Dated: 10.09.2025.

** Reddy gp*

Copy of the Order forwarded to :

1.	M/s. Sri Mallikarjuna Swamy Devasthanam, C/o Katrapati & Associates, 1-1-298/2/b/3, Sowbhagya Avenue Apartments, 1st Floor, Ashok Nagar, Street No.1, Hyderabad-500020
2.	The CIT (Exemption), Hyderabad.
3.	Pr.CIT (Exemption), Hyderabad.
4.	DR, ITAT, Hyderabad.
5.	Guard file.

BY ORDER,