

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई
**IN THE INCOME TAX APPELLATE TRIBUNAL
'B' BENCH, CHENNAI**

श्री मनु कुमार गिरि, न्यायिक सदस्य एवं श्री एस. आर. रघुनाथा, लेखा सदस्य के समक्ष
**BEFORE SHRI MANU KUMAR GIRI, JUDICIAL MEMBER AND
SHRI S.R. RAGHUNATHA, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.: 157/Chny/2025 & 1008/Chny/2025

निर्धारण वर्ष / Assessment Year: -

Mahathma Eye Vision and Research Institute, No. 10, Seshapuram, Thennur, Tiruchirappalli – 620 017. [PAN: AADTM-3945-R] (अपीलार्थी/Appellant)	vs.	The Commissioner of Income Tax (Exemption), Chennai. (प्रत्यर्थी/Respondent)
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अपीलार्थी की ओर से/Appellant by : Shri. G. Baskar, Advocate.

प्रत्यर्थी की ओर से/Respondent by : Shri. Shiva Srinivas, CIT.

सुनवाई की तारीख/Date of Hearing : 25.06.2025

घोषणा की तारीख/Date of Pronouncement : 21.08.2025

आदेश / O R D E R

PER S. R. RAGHUNATHA, AM :

These appeals by the assessee are filed against the orders of the Commissioner of Income Tax (Exemption), Chennai, vide orders dated 14.03.2022 and 28.12.2024 in respect of rejection of application u/s.80G of the Act.

2. At the outset, we find that there is a delay of 1043 days in Appeal ITA No. 1008/Chny/2025, filed by the assessee, for which the assessee has filed an affidavit stating the reasons for delay, wherein, it is submitted that the assessee

applied for renewal of its 80G registration by filing an application under clause (iii) of 1st proviso to section 80G(5) of the Act and the application got rejected by the CIT(E) vide order dated 28.12.2024. The counsel of the assessee found out that the application filed earlier were incorrect and that the same needed to set right by filing appeals before the Hon'ble Tribunal. The assessee submitted the appeal against the impugned order dated 14.03.2022 ought to have been filed on or before 13.05.2022 but the same has been filed on 08.04.2025 and hence prayed for condoning the delay. After considering the Affidavit filed by the assessee and also hearing both the parties, we find that there is a reasonable cause for the assessee in not filing appeal on or before the due date prescribed under the law and thus, in the interests of justice, we condone delay in filing of appeal and admit the appeal filed by the assessee for adjudication.

3. The grounds raised by the assessee are as follows:

ITA 1008/CHNY/2025

- 1) *The appellant trust possessing a valid approval u/s.80G under the old provision, while applying for fresh registration u/s.80G on 07.03.2022, the CIT(E) ought to have granted approval for five years, which the appellant was rightly entitled to.*
- 2) *The order of the CIT(E) is erroneous in so far as the same has been passed without considering the facts of the case and the existing registration of the appellant u/s.80G of the Act.*
- 3) *The CIT(E) having not found any flaw on merits, ought not to have gone by technical procedures; that too when dealing the continuation of approval of a charitable institution.*
- 4) *The appellant seeks to add, amend or delete any ground at the time of hearing of the appeal.*

ITA 157/CHNY/2025

- 1) *The order of the CIT(E) is erroneous and bad in law, as the same is opposed to the provision of law and facts of the case.*
- 2) *The CIT(E) erred in rejecting the approval for u/s.80G of the Act without properly considering the facts and circumstances of the case carried based on surmises and baseless assumptions.*
- 3) *The CIT(E) erred in dismissing application on incorrect reasoning's that activities of the trust do not constituent charitable activities and this finding of the CIT(E) is opposed to the facts of the case.*

- 4) *The CIT(E) ought to have seen that the main objective of the appellant is to provide medical relief, which is charitable purpose u/s.2(15) of the Act.*
- 5) *The CIT(E) ought to have seen that the appellant has perpetually fulfilled the conditions contemplated u/s.11 of the Act by engaging in charitable activities and therefore he ought to have provided the assessee approval u/s.80G of the Act.*
- 6) *The appellant having utilized its funds towards the charitable purpose being medical relief it is eligible for approval u/s.80G of the Act and the CIT(E) failed to grant it.*
- 7) *Any other grounds that may be raised at the time of hearing.*

4. Brief facts of the case are that the assessee is a trust registered u/s.12AA of the Act vide order dated 26.03.2015 and also approved u/s.80G of the Act on 16.02.2016 by the CIT(E). After the insertion of new provisions for registration by the Finance Act, 2021, the assessee ought to have filed an application in Form 10A for approval under clause (i) of 1st proviso u/s.80G(5)(i) of the Act on or before the extended due date of 30.06.2024 for obtaining regular registration for 5 years. However, the assessee inadvertently filed its application in Form 10A under clause (iv) of 1st proviso u/s.80G(5)(i) of the Act on 07.03.2022 for provisional registration. Processing the same, the CIT(E) vide impugned order dated 14.03.2022 granted provisional registration to the assessee under clause (iv) of 1st proviso u/s.80G(5)(i) of the Act from 14.03.2022 to A.Y.2024-25 (3 years).

5. The appeal in ITA No.1008/Chny/2025 has been filed challenging the order of the CIT(E) dated 14.03.2022, where the Ld. CIT(E) has granted the assessee provisional registration for the period 14.03.2022 to A.Y.2024-25. Though the assessee was registered u/s.80G even prior to 01.04.2021, it only obtained a provisional registration due to its mistake of filing an application under clause (iv) instead of clause (i). The assessee then filed an application under clause (iii) of 1st proviso to section 80G on 28.06.2024 to extend its provisional registration. While processing this application, the Ld. CIT(E) has examined the activities of the assessee and ultimately rejected the application by concluding that it is not

carrying out charitable activities vide his order dated 28.12.2024. This order is challenged in appeal No.157/Chny/2025.

6. Before us, the Ld. AR submitted that the assessee is an old trust, which obtained registration u/s. 80G initially on 16.02.2016. As such, after 01.04.2021, it should have applied for registration under clause (i) of 1st proviso to section 80G, on or before 30.06.2024, which was the extended due date as per Circular No.7 of 2024. If the assessee had applied under clause (i), it would have obtained registration u/s.80G for 5 years (i.e.) until A.Y.2026-27. He submitted that the assessee had by inadvertence filed the application under clause (iv) on 07.03.2022 which has resulted in the assessee being granted provisional registration instead of registration for 5 years. He thus prayed that the application filed on 07.03.2022 be considered as an application filed under clause (i) and that the Ld. CIT(E) be directed to grant the assessee registration for 5 years. He stated that mere incorrect filing of forms should not disentitle the assessee from the statutory registration which it was entitled to. For the same, he relied on the decision of the co-ordinate bench of this tribunal in Kaakkum Karangal vs. The ITO in ITA No. 1561/Chny/2023.

7. In relation to the appeal in ITA No.157/Chny/2025, the Ld. AR submitted that once the assessee is registered under clause (i), it must renew the same by filing an application under clause (ii), 6 months prior to expiry of the registration. Thus, if the assessee is granted registration under clause (i) for 5 years as prayed for in ITA No.1008/Chny/2025, the application filed under clause (ii) on 28.06.2024 and the consequent order of the Ld. CIT(E) dated 28.12.2024 become invalid as the application under clause (iii) is only applicable to new trusts possessing provisional registration under clause (iv).

8. Countering the above, the Ld. DR stated that in the order dated 28.12.2024 which is appealed in ITA No.157/Chny/2025, the Ld. CIT(E) has discussed the activities of the assessee in detail and held that the same are not charitable in nature. He thus prayed for upholding the order of the CIT(E).

9. We have heard the rival submissions and perused the material available on record and gone through the orders of the authorities. Firstly, it is an undisputed fact that the assessee possessed registration u/s.80G in the old regime vide order dated 16.02.2016. As per the new procedure for registration under the 1st proviso to section 80G(5), it should have filed an application under clause (i), which would have provided it registration for 5 years. However, as submitted by the Ld. AR, the application was by inadvertence filed under clause (iv), accordingly the registration was given only from 14.03.2022 to A.Y.2024-25. The assessee trust had time until 30.06.2024 to file an application under clause (i) and it would have obtained registration for 5 years. We agree with the arguments of the Ld. AR because the assessee was entitled to be registered for 5 years and merely for the reason that it had filed the application under incorrect clause, the same cannot be taken away. The same ratio has been held by the co-ordinate bench of this tribunal in Kaakkum Karangal vs. The ITO in ITA No.1561/Chny/2023.

10. Also, as per the provisions of section 80G, the assessee being an old trust, it should have filed an application under clause (i) only. Since clause (i) applies to the assessee, it could not have filed an application under clause (iv). Hence, we direct the CIT(E) to consider the application filed on 07.03.2022 as an application filed for registration u/s.80G under clause (i) of the 1st proviso and then grant registration to the assessee for 5 years (i.e.) A.Y.2022-23 to A.Y.2026-27. Hence, the appeal in ITA No.1008/Chny/2025 is allowed for Statistical purposes.

11. Coming to the appeal in ITA No.157/Chny/2025, the order of the CIT(E) dated 28.12.2024 was passed in consequence of the application of the assessee dated 28.06.2024 under clause (iii). As rightly submitted by the Ld. AR, only a trust which has obtained provisional registration under clause (iv) can apply for extension of the registration under clause (iii). Since we have directed the Id.CIT(E) in ITA No.1008/Chny/2025 to grant the assessee registration as per clause (i) of 1st proviso to section 80G, the application filed on 28.06.2024 under clause (ii) is incorrect and unsustainable. Hence, we set aside the order of the CIT(E) dated 28.12.2024. No doubt, the assessee would be required to establish its charitable activities when it applies to renew its registration, now directed to be granted under clause (i). Hence, the appeal in ITA No.157/Chny/2025 is allowed for statistical purposes.

12. In the result, both the appeals filed by the assessee are allowed for statistical purposes.

Order pronounced in the court on 21st August, 2025 at Chennai.

Sd/-
(मनु कुमार गिरि)
(MANU KUMAR GIRI)
न्यायिक सदस्य/Judicial Member

Sd/-
(एस. आर. रघुनाथा)
(S.R.RAGHUNATHA)
लेखासदस्य/Accountant Member

चेन्नई/Chennai,

दिनांक/Dated, the 21st August, 2025

jk

आदेश की प्रतिलिपि □ ग्रेषित/Copy to:

1. □ पीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT– Chennai/Coimbatore/Madurai/Salem

4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF