

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

श्री एबी टी. वर्की, न्यायिक सदस्य एवं श्री अमिताभ शुक्ला, लेखा सदस्य के समक्ष
BEFORE SHRI ABY T VARKEY, JUDICIAL MEMBER AND
SHRI AMITABH SHUKLA, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.1698/Chny/2025
Assessment Years: 2024-25

Vijaya Medical and Educational Trust,
New No.434, Old No.180, NSK Salai,
Vadapalani,
Chennai-600 026.
[PAN: AAATV0197R]

Commissioner of Income Tax
(Exemptions),
Chennai.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Assessee by

: Mr.A.Sittrarasu, Advocate

प्रत्यर्थी की ओर से /Revenue by

: Ms.Gouthami Manivasagam, JCIT

सुनवाई की तारीख/Date of Hearing

: 25.08.2025

घोषणा की तारीख /Date of Pronouncement

: 09.10.2025

आदेश / ORDER

PER AMITABH SHUKLA, A.M :

This appeal is filed by the assessee against the order bearing DIN & Order No.ITBA / EXM / F / EXM45 / 2025-26 / 1076268067(1) dated 17.05.2025 of the Learned Commissioner of Income Tax [herein after "CIT(E), Chennai, for the assessment year 2024-25. The reference to the word "Act" in this order hereinafter shall mean the Income Tax Act, 1961 as amended from time to time.

2.0 The only issue contested by the appellant assessee, through its grounds of appeal, is the rejection of its application for grant of exemption

u/s 80G by the Ld.CIT(E). The application of the assessee was rejected for having been filed late i.e beyond the timeline, including extended timeline, prescribed by the Revenue authorities.

3.0 It is the case of the appellant that the delay cannot come in the way of its eligibility for grant of exemption u/s 80G. The Ld.Counsel for the assessee submitted that application dated 28.11.2024 in Form-10AB requesting for final registration u/s 80G(5)(iii) was made to the Revenue authorities. It was submitted that vide order 17.05.2025 the Ld.CIT(E) has rejected the application of the assessee. While concluding the same, the Ld.CIT(E) postulated that the impugned application was due to have been filed on 30.09.2023 and has the same was filed on 28.11.2024 and hence it was liable for rejection. It was also concluded that the Ld.CIT(E) did not have any authority to condone the delay.

4.0 The Ld.Counsel for the assessee vehemently argued against the decision of Revenue Authorities in rejecting its application. It was submitted that the Ld.CIT(E) has inherent powers to condone the delay which is on par with such powers available qua grant of registration u/s 12A. The Ld.Counsel simultaneously also argued that this tribunal also possesses powers to condone the delay in applications filed after the due date and direct Ld.CIT(E) to grant registration after condoning the delay. The Ld.Counsel said that the delay of 150 days may be condoned. It was argued that grave injustice is being caused by the denial of the

registration u/s 80G. The Ld.Counsel also drew our attention to the amended provisions of the Finance Act as per clause-(iv) of section 80G and that in consonance thereof the Ld.CIT(E) may be directed to condone the delay and grant registration u/s 80G. In support of its contentions, the Ld.Counsel drew support from orders of this tribunal, directing Ld.CIT(E) to condone the delay and consider grant of registration u/s 80G.

5.0 Per contra, the Ld.DR relied upon the order of lower authorities. It was argued that the provision of law is clear mandating grant of registration u/s 80G to applications filed within prescribed timelines.

6.0 We have heard the rival submissions in the light of material available on records. We have noted that the principal issue is as to whether the delay caused by the assessee in filing of its application u/s 80G for grant of registration can be condoned and registration be granted ???. We have also noted that CBDT through its instructions has accorded powers to the CIT(E) for condoning the delay in matters concerning 12A registrations. We have noted that while doing so, CBDT had primarily examined the issue of “continuing hardship” to the taxpayers in filing timely applications and thus being deprived of registration on such technical deficiencies. Registrations under section 12A and 80G are closely inter-linked and or rather supplementing their independent objectives. The present issue is also one of genuine

hardships and therefore there cannot be a distinction within the same provision without bringing any exception. The provisions of 80G are for the benefit of donors who are donating amounts of money to Charitable Trusts, engaged in selfless public service, for claiming exemption in the Returns of Income. We have noted that this issue has been extensively dealt by a Hon'ble Coordinate bench of this tribunal in the case of CIT-1982 Charitable Trust as at 160 taxmann.com 475. Further, in the case of Society for Community Organization and Peoples Education(SCOPE) in ITA No.1127/Chny/2025 dated 03.10.2025 it was observed that :-

“.....7.0 We have heard the rival submissions in the light of material available on records. We have noted that the principal issue is as to whether the delay caused by the assessee in filing of its application u/s 80G for grant of registration can be condoned and registration be granted ??? We have also noted that CBDT through its instructions has accorded powers to the CIT(E) for condoning the delay in matters concerning 12A registrations. We have noted that while doing so, CBDT had primarily examined the issue of “continuing hardship” to the taxpayers in filing timely applications and thus being deprived of registration on such technical deficiencies. Registrations under section 12A and 80G are closely inter-linked and or rather supplementing their independent objectives. The present issue is also one of genuine hardships and therefore there cannot be a distinction within the same provision without bringing any exception. The provisions of 80G are for the benefit of donors who are donating amounts of money to Charitable Trusts, engaged in selfless public service, for claiming exemption in the Returns of Income. We have noted that this issue has been extensively dealt by a Hon'ble Coordinate bench of this tribunal in the case of CIT-1982 Charitable Trust as at 160 taxmann.com 475.

7.8 After hearing the arguments of Id. counsel for the assessee and Id. CIT-DR as noted above, we find from the facts that the timeline prescribed for filing Form No.10AB for registration u/s.12A of the Act in the case of assessee trust has been extended up-to 30.09.2023 after considering the genuine hardship faced by charitable institutions vide various CBDT circulars and finally, vide Circular No.6/2023 dated 24.05.2023. Similarly, the timeline prescribed for filing Form No.10A for recognition u/s.80G of the Act was also extended up-to 30.09.2023 by the same circular for trusts filing registration under clause (i) to first proviso to section 80G(5) of the Act. But the above extension was not extended beyond 30.09.2022, unlike other forms which were extended up to 30.09.2023 to the disputed forms namely Form No.10AB for renewal of recognition u/s.80G(5) of the Act under clause (iii) of the first proviso to section 80G(5) of the Act. Once, the CBDT has extended the timeline for filing Form No.10AB for recognition u/s.12A of the Act and also for filing Form No.10A for recognition u/s.80G of the Act extended up to 30.09.2023 for trusts filing registration under clause (i) of first proviso to section 80G(5) of the Act, we find no difference in continuing hardship as recognized by CBDT even in filing Form No.10AB for renewal of recognition u/s.80G of the Act under clause (iii) of first proviso to section 80G(5) of the Act. In our view, this being a genuine hardship case, which is recognized by Revenue or CBDT by issuing a general circular, we are of the view that this specific provision of clause (iii) to first proviso to section 80G(5) cannot be excluded and or it has not been the intention of the CBDT while issuing the circular. There cannot be a distinction within the same provision without bringing out any exception and even this provision is for the benefit of the donors who are donating money to the charitable trusts for claiming exemption in their returns of income. In our view, we agree with the argument of Id. counsel for the assessee that the timeline prescribed under clause (iii) of first proviso to section 80G(5) of the Act should be treated as directory and not mandatory especially considering the transitional

nature of the amendment as brought out by the taxation of other laws (relaxation and amendment of certain provisions) act 2020 for bringing new regime. Hence, in our view, the CIT(Exemptions) should not have rejected the assessee's application in Form No.10AB only for this technical reason. We are of the view that the intention of CBDT in its circular clearly reflects their mind that once the timeline prescribed for filing Form No.10AB for recognition u/s.12A of the Act has been extended up to 30.09.2023, the same may be treated as extended for forms namely Form No.10AB for renewal of approval/recognition/registration under clause (iii) of first proviso to section 80G of the Act also. Hence, we accept the plea of assessee and agree with the arguments of Id. counsel for the assessee and remand the matter back to the file of the CIT(Exemption) to decide the issue on merits. Hence, the order of CIT(Exemption) on this issue is set aside and matter is remanded back to the file of the CIT(Exemption) for re-deciding the issue on merits as per law. The appeal of the assessee is allowed for statistical purposes....."

7.0 We have further noted that another Coordinate Bench of this tribunal in ITA No.1012/Chny/2025 dated 25.07.2025 in the case of Aalayam held as under:-

"....6. We have heard the rival submissions, and perused the materials available on record. The assessee made application under clause (ii) of first proviso to sub-section (5) of Section 80G of the Act seeking approval u/s. 80G of the Act on 30.09.2024. The Ld. CIT(E) has rejected the application as not maintainable on the ground that the assessee has not filed the application before 30.06.2024 as provided in CBDT Circular No.7/2024 dated 25.04.2024. However, it is noted that clause (iv) has now been inserted into the first proviso to Section 80G(5) by the Finance Act, 2024, wef 01.10.2024 to enable assessee trust to apply for approval u/s 80G(5) at any time after commencement of its activities. This provision is disjoint from clause (iii), which governed the earlier timeline. The Ld

CIT(E) has passed the order rejecting application on 12.02.2025 after the amendment had come into force, as non maintainable . We, therefore direct the Ld. CIT(E) to treat the application filed on 22.08.2024 as having been filed under clause (iv)(B) of the first proviso to Section 80G(5), and decide in accordance with the law. In view of the above, the appeal filed by the assessee is allowed for statistical purposes only....”

8.0 Thus, the uniform view taken by this tribunal on the issue is that, considering the amendment by the Finance Bill 2024, the applications u/s 80G(5) after the due date can be considered within the meanings of the section 80G(5)(iv). We have also noted that the decision of the Coordinate bench of this tribunal in the case of CIT-1982 Charitable Trust supra which has gone to conclude that the timelines u/s 80G(5) are directory in nature and that therefore any rejection of delayed applications by CIT(E) would be merely a case of reliance on pure technicalities.

9.0 We have noted that the facts of the present case are identical to those as in ITA No.1127/Chny/2025 dated 03.10.2025 and in ITA No.1012/Chny/2025 dated 25.07.2025 supra and no distinguishment was pointed out by the Revenue. Accordingly, in respectful compliance to the aforesaid orders of this tribunal and for the purposes of consistencies, we direct the Ld.CIT(E) to treat the delayed application filed by the assessee as having been filed under clause-(iv) of the first proviso to section 80G and decide in accordance with law. The assessee shall be entitled to be granted due opportunities of being heard and shall

be bounden to comply with all the statutory notices issued by the Revenue. **In view of the above, all the grounds of appeal raised by the assessee are allowed for statistical purposes.**

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

Order pronounced on 9th, October-2025 at Chennai.

Sd/-

(एबी टी. वर्की)

(ABY T VARKEY)

न्यायिक सदस्य / Judicial Member

Sd/-

(अमिताभ शुक्ला)

(AMITABH SHUKLA)

लेखा सदस्य /Accountant Member

चेन्नई/Chennai, दिनांक/Dated: 9th, October-2025.

KB/-

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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