

आयकर अपीलीय अधिकरण, 'सी' न्यायपीठ, चेन्नई।  
**IN THE INCOME TAX APPELLATE TRIBUNAL**  
**'C' BENCH: CHENNAI**

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

आयकर अपील सं./ITA No.1006/Chny/2025

निर्धारण वर्ष/Assessment Year: 2024-25

V.S.K.Charitable and Educational  
Trust,  
No.7/66, Vasantha Illam,Mullainagar,  
Thirumayam PO, Thirumayam Taluk,  
Pudukkottai,  
Tamil Nadu-622 507.  
[PAN: AACTV1459L]

v. Income Tax Officer, Ward-1,  
Pudukkottai.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by

: Mr.V.Alagappan, C.A.

प्रत्यर्थी की ओर से /Respondent by

: Ms.R.Anitha, Addl.CIT

सुनवाईकीतारीख/Date of Hearing

: 31.07.2025

घोषणाकीतारीख /Date of Pronouncement

: 28.10.2025

**आदेश / ORDER**

**PER MANU KUMAR GIRI, JM:**

This is an appeal preferred by the assessee against the order of the Learned Commissioner of Income Tax (Appeals), (in short 'the CIT(A), Addl/JCIT(A)-1, Guwahati, dated 13.03.2025 for the Assessment Year (in short 'AY') 2024-25.

2. Brief facts are that the Assessee, a registered Trust filed ITR 7 on 02.10.2024. It also filed Form 10B on 30.09.2024. The assessee is exclusively engaged in educational activities and operated some



educational institutions. Assessee while filing the return of income for the Financial Year 2023-24 (AY 2024-25), the assessee inadvertently selected the incorrect section for claiming exemption. Assessee opted for Section 11 instead of Section (23C)(iiid) of the Act. While processing the return, the CPC disallowed the exemption claimed u/s11, resulting in a tax demand of Rs.29,66,610/-. In the appeal, assessee clarified the mistake in filling ITR 7. It clarified that instead of Section 10(23C)(iiid) it mentioned section 11 by mistake. The Addl. CIT(A) accepted this mistake but rejected the claim of exemption under section 10(23C)(iiid) for the reason that "the appellant has submitted copy of one unaudited Income and Expenditure Account bearing no name or signature of any office bearer. In absence of any stamp/signature, the veracity of the same is not found ascertainable." The Additional CIT(A) has refused to give benefit of section 10(23C)(iiid) on flimsy reasons of:

(i) Non authentication of Income and Expenditure Statement.

(ii) Assessee has brought nothing conclusive on records that it is existing solely for educational purposes and not for profit.

3. The assessee has raised the following argumentative grounds of appeal:

*1) The CPC has erred by not applying section 10(23C) (iiid) knowing that the assessee is an educational institution and is*



*eligible for exemption under section 10(23C)(iiiad) though it has claimed section 11.*

*2) The CPC having rejected the claim of exemption under section 11, should have calculated the tax as per section 13(10) and should have computed income chargeable to tax after allowing deduction for the expenditure (other than capital expenditure) incurred in India for the objects of the Trust or Institution. The order of the AO not following section 13(10) should be set aside. The AO should have charged tax on the income so arrived at normal rates applicable to AOP as the assessee is a Charitable Trust (As held in 2023 (5) TMI 1170 ITAT BANGALORE- PCA CHARITABLE TRUST VERSUS ITO WARD -1 (2) BENGALURU).*

*The Additional CIT(A) had incorrectly refused benefit of section 10(23C)(iiiad) as the Assessee is a registered Trust known to the Additional CIT(A) and has enclosed affiliation certificate from Tamilnadu Teachers Education University for running Teachers Training Institute. The Income and Expenditure Statement has disclosed only income from Tuition Fees Received. As the assessee has proved that it is an Institution existing solely for education by submitting Trust Deed, Income and Expenditure Statement and Affiliation Certificate. Sufficient evidence was available to the Additional CIT(A) and the rejection is without proper reason.*

*3) The Additional CIT (A) had wrongly held that the Income and Expenditure account is not authenticated by any of the office bearers when it has actually been uploaded under Adhaar OTP by logging into the registered account in the portal as required by clause 10 of the Faceless appeal scheme 2021.*



4. Per contra, the Ld.DR relied upon the order of the Ld.CIT(A).
5. We have heard the rival submissions in the light of material available on records. The Ld.AR submitted that the institutions existed only for educational purposes. He further submitted that the CPC rejected the claim for exemption u/s.11 and taxed the entire receipts as income without considering the application / expenditure claimed in the return. He further submitted that in fact the assessee clarified the mistake in filing ITR. Hence, in the light of above submissions and after perusal of the impugned order, we direct the jurisdictional assessing officer (JAO) to see the audited income and expenditure account duly signed and stamped. If the assessee shows the duly audited income and expenditure account signed and stamped, then the AO will give the benefit of application/ expenditure to the assessee. Accordingly, we do so.
6. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in open court on the 28<sup>th</sup> ,day of October, 2025, in Chennai.

**Sd/-**  
**(एस.आर.रघुनाथा)**  
**(S. R. RAGHUNATHA)**  
लेखा सदस्य/**ACCOUNTANT MEMBER**

**Sd/-**  
**(मनु कुमार गिरि)**  
**(MANU KUMAR GIRI)**  
न्यायिक सदस्य/**JUDICIAL MEMBER**

चेन्नई/Chennai, दिनांक/Dated: 28<sup>th</sup>, October, 2025.

**KB**



ITA No.1006/Chny/2025 (AY-2024-25)  
VSK Charitable & Educational Trust

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