

**IN THE INCOME-TAX APPELLATE TRIBUNAL "G" BENCH,  
MUMBAI**

**BEFORE SHRI PAWAN SINGH, JUDICIAL MEMBER  
&  
SMT.RENU JAUHRI, ACCOUNTANT MEMBER**

**ITA No.4809/MUM/2025  
(A.Y. N.A)**

Shree Shyam Satsang Mandal B-203, Sankalp Siddhi Co.op Hsg. Society, S.B.Marg, Matunga Road, Mumbai-400016.	Vs.	CIT(Exemptions) Cumballa Hill, MTNL Telephone Exchange Building, Pedder Road, Dr Gopalrao Deshmukh Marg, Mumbai-400026.
<b>स्थायी लेखा सं./जीआइआर सं./PAN/GIR No:AAATS1152P</b>		
<b>Appellant</b>	<b>..</b>	<b>Respondent</b>

Appellant by :	Ms. Arati Vissanji-Advocate
Respondent by :	Shri Swapnil Choudhary- Sr. AR

Date of Hearing	30.09.2025
Date of Pronouncement	17.10.2025

**आदेश / O R D E R**

**PER RENU JAUHRI [A.M.] :-**

This appeal by the assessee is preferred against the order of the CIT(Exemptions), Mumbai dated 17.06.2025 by which the CIT(E) rejected the application for grant of approval u/s. 80G of the Act.

2. The grounds of appeal are as followed:

*"1. On the facts and circumstances of the case and in law, the Honourable Learned Commissioner of Income Tax (Exemptions) (" Honourable Ld. CIT(E)") has erred in rejecting the application for approval under section 80G of the Income Tax Act, 1961 ("The Act"), on the ground that the application was filed under a wrong section, without appreciating that the appellant trust has otherwise fulfilled all the conditions prescribed for obtaining final approval.*

*2. The Honourable Ld. CIT(E) is not considering the adjournment request submitted before him against show cause notice on 04/06/2025 and also not giving a proper opportunity of being heard, is an amount to a violation of the principles of natural justice.*

*3. The Honourable Ld. CIT(E) has erred in rejecting the application purely on technical grounds*

*The appellant craves leave add, alter or delete to the grounds of appeal at the time of or before hearing”*

3. The brief fact of the case are that the assessee is a registered charitable trust since its inception on 29.08.1974 which was granted provisional approval u/s. 80G(5) vide order dated 06.10.2021 for the period from 06.10.2021 to A.Y. 2024-25. Subsequently, it applied for regular approval on 15.11.2024 in Form 10AB. Erroneously, the relevant clause was mentioned as clause(ii) of first proviso to subsection (5) of sec 80G in the application form instead of clause (iii).

Ld. CIT(E) rejected the assessee's application vide order dated 17.06.2025 on the ground that the application had been filed under the wrong section. Aggrieved, the assessee has filed an appeal before the Tribunal.

4. Before us, ld. AR has submitted that the Trust is an old existing trust which was registered u/s. 12A as well as approval u/s. 80G in the old regime. Subsequently, it applied for provisional approval under the regime, which was granted upto A.Y. 2024-25. Accordingly the assessee, applied for regular registration on 15.11.2024. however, inadvertently, the relevant clause of section 80G(5) was wrongly mentioned as (ii)

whereas it should have been (iii). Ld. CIT(E) rejected the assessee only on this ground.

Ld. AR has further submitted that in numerous decisions of the co-ordinate benches, similar appeals have been allowed in favour of the assessee. He specifically relied on a recent decision in the case of *Sheth Vijilal Laxmidas Tribvondas Kesar Bai Jijilal Poona Convalcent Home Vs. CIT(E)* reported in [2025] 172 taxmann.com 514(Mumbai-Trib) wherein it has been held that since assessee was already an approved trust the application was rightly made under clause (iii) of section 80G(5) of the Act. Relevant portion of the order is reproduced below:

*“7. Therefore, from the perusal of the aforesaid provisions of first proviso to section 80G(5) of the Act, it is evident that clause (ii) is applicable to the trusts which already have regular approval and the application is made for the renewal of the same, while in case the trust has been provisionally approved and such approval is expiring, clause (iii) of first proviso to section 80G(5) is applicable. In the present case, since the assessee was already an approved trust, we are of the considered view that the application was rightly made by the assessee under clause (ii) of first proviso to section 80G(5) of the Act, and grant of provisional approval cannot be sole basis for rejecting the same. Accordingly, in the interest of justice and fair play, we restore the application filed by the assessee for renewal of regular approval under section 80G(5) of the Act to the file of the learned CIT(E) for de novo adjudication in accordance with law and after consideration of the facts in entirety. With the above directions, the impugned order is set aside and grounds raised by the assessee are allowed for statistical purposes.”*

5. Ld. DR on the other hand, relied on the order of Ld. CIT(E) and submitted that the application mentioned the wrong clause and hence was rightly rejected.
6. We have heard the rival submissions. After careful consideration of the facts and circumstances we are of the considered view that simply because the assessee has mentioned a wrong subclause, it could not be

denied the benefit of regular approval especially when it was an already approved trust prior to the amendment effective from 01.04.2021.

Accordingly, in the interest of justice and fair play, we hereby restore the application filed by the assessee, for fresh consideration by Id. CIT(E), in accordance with law, after allowing the assessee to rectify the inadvertent mistake, if required.

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

Order Pronounced in Open Court on 17.10.2025

**Sd/-**  
**(PAWAN SINGH)**  
**(JUDICIAL MEMBER)**

**Sd/-**  
**(RENU JAUHRI)**  
**(ACCOUNTANT MEMBER)**

Place: Mumbai

Date 17.10.2025

Anandi.Nambi/STENO

**आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. आयकर आयुक्त / CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण DR, ITAT, Mumbai
5. गार्ड फाईल / Guard file.

सत्यापित प्रति //True Copy//  
आदेशानुसार/ BY ORDER,

**उप/सहायक पंजीकार (Dy./Asstt. Registrar)**  
**आयकर अपीलीय अधिकरण/ ITAT, Bench,**  
**Mumbai.**