

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई
IN THE INCOME-TAX APPELLATE TRIBUNAL 'B' BENCH, CHENNAI
श्री एस.एस. विश्वनेत्र रवि, न्यायिक सदस्य एवं श्री अमिताभ शुक्ला, लेखा सदस्य के समक्ष
Before Shri S.S. Viswanethra Ravi, Judicial Member &
Shri Amitabh Shukla, Accountant Member

आयकर अपील सं./I.T.A. No.1780/Chny/2025

Aram Home for Special Children Girls, Vs. The Commissioner of Income Tax
No. 38/54, 30th MGR Street, G.K.M. [Exemptions],
Colony, Nawahar Nagar, Konnur, Chennai.
Chennai 600 082.

[PAN:AAITA5212E]

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से / Appellant by : Shri V. Swaminathan, F.C.A. (virtual)
प्रत्यर्थी की ओर से/Respondent by : Dr. M. Mohan Babu, Addl. CIT for CIT
सुनवाई की तारीख/ Date of hearing : 09.10.2025
घोषणा की तारीख /Date of Pronouncement : 01.12.2025

आदेश / O R D E R

PER S.S. VISWANETHRA RAVI, JUDICIAL MEMBER:

This appeal filed by the assessee is directed against the order dated 16.06.2025 passed by the Id. Commissioner of Income Tax (Exemption), Chennai in rejecting the application filed in Form 10AB seeking approval under clause (iii) of first proviso to section 80G(5) of the Income Tax Act, 1961 ["Act" in short].

2. The assessee raised 4 grounds of appeal amongst which, the only issue emanates for our consideration as to whether the Id. CIT(E) is justified in rejecting the application filed in Form 10AB seeking approval

under clause (iii) of first proviso to section 80G(5) of the Act without condoning the delay in filing Form 10AB.

4. We note that the assessee filed online application on 11.01.2025 in Form No. 10AB seeking approval under clause (iii) of first proviso to section 80G(5) of the Act. The Id. CIT(E), while processing the application, asked the assessee to show-cause as to why its application should not be rejected on account of reasons mentioned in para 2 & 3 of the impugned order. The assessee filed its reply and the Id. CIT(E) considered the same and observed that the assessee trust has applied for approval under section 80G in Form 10AB only after the expiry of extended due date i.e., on 11.01.2025 with the delay of 103 days. Considering the provisions of section 80G(5)(iii) of the Act, the Id. CIT(E) rejected the application filed in Form 10AB.

5. The Id. AR Shri V. Swaminathan, F.C.A. submits that the Id. CIT(E) rejected the application dated 11.01.2025 filed in Form 10AB seeking approval under section 80G(5)(iii) of the Act. He submits that section 80G(5)(i) of the Act states where the institution whose income would not be liable to inclusion in its total income under section 11 and 12 of the Act is eligible for 80G certificate, hence holding a 12AB certificate is the main criteria for granting 80G certificate. The Id. AR relied on the decision of

the Coordinate Benches of the Tribunal in ITA No. 827/Chny/2023 & ors in the case of M/s. CIT-1982 Charitable Trust v. CIT(E) & Ors. dated 08.03.2024 reported in 160 Taxmann.com 475 (Chennai-Tribunal) and prayed to follow the same for remanding the matter to the Id. CIT(E) for fresh consideration.

6. The Id. DR Dr. M. Mohan Babu, Addl. CIT vehemently objected to the submissions of the Id. AR. The assessee trust has applied for approval under section 80G of the Act in Form 10AB on 11.01.2025 only after the expiry of extended due date 30.09.2024 with a delay of 103 days. He further argued that the case law relied on by the Id. AR as reflected under grounds of appeal in para No. 4 (a) & (b) are not at all applicable to the facts of the present case for the reason that in those cases, the Id. CIT(E) rejected the application form in 10AB for grant of approval under section 80G of the Act on the ground that the CBDT has not extended the due date as that of registration/ recognition under 12A of the Act and therefore, the Tribunal held 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. Thus, the Id. DR prayed to dismiss the appeal filed by the assessee

7. Heard both the parties and perused the material available on record. It is noted that the assessee filed online application in Form 10AB seeking approval under section 80G(5) of the Act on 11.01.2025, which according to the Id. CIT(E), was filed after the expiry of extended due date i.e., with a delay of 103 days. The contention of the Id. AR on similar identical issue, this Tribunal remanded the matter to the file of the Id. CIT(E) by holding that filing of Form 10AB within due time is only directory, but, not mandatory. Therefore, now let us examine the relevant part in the case of CIT-1982 Charitable Trust v. CIT(E) (supra), which is reproduced here under:

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 ld. 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 ld. 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.

8. On plain reading of the above, it is noted that the Tribunal agreed with the argument of ld. counsel for the assessee therein 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, held the CIT(Exemptions) should not have rejected the assessee's application in Form No.10AB only for this technical reason and remanded the matter to the file of the ld. CIT(E) for fresh consideration on merits. We find that the facts and circumstances of the present case is identical to the facts and circumstances in the case of

CIT-1982 Charitable Trust v. CIT (supra) and considering the same, we deem it proper to remand the matter to the file of the Id. CIT(E) for fresh consideration on merits. Thus, the grounds raised by the assessee are allowed for statistical purposes.

9. In the result, the appeal filed by the assessee is allowed for statistical purposes.

Order pronounced on 01st December, 2025 at Chennai.

Sd/-
(AMITABH SHUKLA)
ACCOUNTANT MEMBER

Sd/-
(S.S. VISWANETHRA RAVI)
JUDICIAL MEMBER

Chennai, Dated, 01.12.2025

Vm/-

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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