

IN THE INCOME TAX APPELLATE TRIBUNAL “D” BENCH, MUMBAI

BEFORE SHRI VIKRAM SINGH YADAV, AM
AND
MS. KAVITHA RAJAGOPAL, JM

ITA No.7406/Mum/2025
(Assessment Year: 2026-27)

M/s. Mansi Bhagini Vrund, 401, Pranay Residency CHS Ltd. Bhimani Street, Mumbai – 400 019	Vs.	Income Tax Officer, Exemption Ward – 2(1), Cumballa Hill, Pedder Road, Mumbai – 400 026
PAN:AAFTM9571R		
(Appellant)	:	(Respondent)

Assessee by	:	Shri P.P. Jayaraman, CA
Respondent by	:	Shri Umashankar Prasad, Sr. DR

Date of Hearing	:	22.01.2026
Date of Pronouncement	:	27.03.2026

ORDER

Per Kavitha Rajagopal, JM:

This appeal is filed by the assessee trust, challenging the order of the Learned Commissioner of Income Tax (Exemptions) [‘Ld. CIT(E)’ for short] passed u/s. 80G of the Income Tax Act, 1961 (‘the Act’) dated 27.09.2025.

2. The assessee has raised the following grounds of appeal:

“1. That the learned CIT(Exemption) erred in law and on facts by rejecting the appellants application for final approval under Section 80G(5) of the Income-tax Act, 1961 (the Act), solely on the technical ground of delay in filing form 10AB, thereby failing to appreciate that the delay was neither willful nor deliberate.

2. That the learned CIT(Exemption) ought to have appreciated that the delay in filing the application for final approval was due to a bona fide and inadvertent mistake on the part of the appellant in correctly interpreting the validity period of the provisional registration, believing it to be valid until AY 2026-27 instead of the actual expiry date related to AY 2025-26. The trust is registered u/s 12A having validity till AY 2026-27 and the same is misunderstood by the appellant that provisional approval u/s 80G(5) is also



valid till AY 2026-27. The appellant prays for the condonation of delay under the principle of sufficient cause, as the oversight was technical and no male fide intent to circumvent the law existed.

3. That the learned CIT(Exemption) failed to consider the principle of substantive justice over technicalities, which is paramount in the case of charitable organizations. The Tribunal is requested to adopt a liberal and pragmatic approach and condone the technical delay, thereby allowing the application to be decided on its merits and not on a procedural lapse.

4. That the learned CIT(Exemption) failed to consider that the appellant trust is otherwise eligible for the grant of final 80G approval, as it has substantially complied with all the statutory and regulatory requirements and its activities are genuinely charitable, as evidenced by its accounts and activities during the provisional approval period. The Tribunal should direct the CIT(Exemption) to examine the application on merits rather than rejecting it solely on the ground of delay.

5. Without prejudice to the above, the appellant requests that the application originally filed under clause (iii), be considered as an application filed under clause (iv)(B) of section 80G(5) of the Income Tax Act 1961.

6. Your appellant prays for permission to add to, amend OR alter any OR all the grounds of appeal at any time prior to the hearing of the appeal.”

3. Brief facts of the case are that the assessee trust is a registered charitable organization under Bombay Public Trust Act, 1950 dated 08.10.2018 which was established for the objective of upliftment of mankind especially women and to carry out other social activities in the field of education, medical and social welfare. The assessee trust has obtained registration u/s 12A of the Act vide order dated 24.09.2021 valid from Assessment Year ('A.Y.' for short) 2022-23 to 2026-27 and was also holding a provisional registration u/s 80G(5) of the Act valid till A.Y. 2025-26 vide order dated 31.12.2022. That being so, the assessee filed an application in Form 10AB dated 28.03.2025 under clause (iii) of 1st proviso to section 80G(5) of the Act seeking for regular approval u/s 80G(5) of the Act before the Ld. CIT(E). The Ld. CIT(E) rejected the application for regularization of provisional approval in Form 10AB for the reason that the assessee has filed the

application in Form 10AB belatedly after the due date specified under the provisions of the Act.

4. Aggrieved, the assessee is in appeal before us, challenging the order of the Ld. CIT(E).

5. The Learned Authorized Representative (“Ld. AR” for short) for the assessee contended that the assessee was genuinely carrying out the trust activities which were valid till A.Y. 2025-26 as per Form 10AC. The Ld. AR further contended that the assessee was of bonafide belief that approval granted u/s 80G(5) of the Act was also valid till the registration granted u/s 12A of the Act which was valid upto A.Y. 2026-27. The Ld. AR further contended that the Revenue has not disputed the activities of the assessee and the rejection of regularization of the provisional approval was merely on procedural ground, that there was delay in filing Form 10AB. The Ld. AR relied on a catena of decisions which held that the substantive right cannot be overlooked by procedural irregularities. The Ld. AR also relied on the decision of the co-ordinate Bench in the case of *Amrut Public Charitable Trust vs. ITO (Exemption)* in *ITA No.7387/Mum/2025 dated 19.01.2026*.

6. The Learned Departmental Representative (“Ld. DR” for short), on the other hand, controverted the said fact and contended that the assessee has not demonstrated that it had “reasonable cause” for the delay in filing Form 10AB as there was a delay of more than 20 months in filing the application for regularization. The Ld. DR relied on the decision of Hon’ble Apex Court in the case of *PCIT vs. Wipro Ltd. (2022) 140 Taxmann.com 223*

(SC) wherein it was held that not only is filing the Form mandatory but also the time limit for filing the same is also held to be mandatory in case of claiming of exemption. The Ld. DR relied on the order of the Ld. CIT(E).

7. We have heard the rival submissions and perused the materials available on record. The moot issue that requires adjudication is whether the Ld. CIT(E) was right in rejecting the assessee's application for regularization of provisional approval in Form 10AB merely on the ground of delay in filing the application. It is observed that the assessee was granted registration u/s 12A and provisional registration under section 80G(5) of the Act where the assessee trust, as per the amended provision of section 80G(5) of the Act, will have to file an application in Form 10AB seeking for final (regular approval) in the prescribed form to the Principal Commissioner or Commissioner at least six months prior to the expiry of the period of provisional approval or within six months of commencement of its activities whichever is earlier, in case where the trust has been provisionally approved. In the present case, the provisional approval was granted on 31.12.2022 and since the activities of the assessee trust had already commenced the assessee should have filed the application for regularization of provisional approval latest by the end of the month of June 2023 whereas the assessee had filed the application on 28.03.2025 which is after a delay of more than 20 months. The Ld. CIT(E) by relying on the decision of the Hon'ble Apex Court in the case of *Wipro Ltd. (supra)* and *Commissioner of Customs vs. Dilip Kumar & Co. (2018) 9 SCC (1)* held that in case of claiming exemption the provision has to be strictly complied with including the time limit prescribed by law and thereby rejected the assessee's application on the ground of belated filing. The Ld. AR, on the other hand, controverted

the same stating that the facts of the case relied upon by the Ld. CIT(E) are distinguishable. Further, it is observed that on identical facts the co-ordinate Benches have decided the issue of delay in filing Form 10AB by interpreting the six months time limit is not a mandatory condition, harmoniously in favour of the assessee. Further, there are several decisions where the co-ordinate Benches have held that the application cannot be dismissed merely on limitation without examining the charitable activities and genuineness where substantial justice should no doubt prevail over mere procedural irregularity. The Jurisdictional Co-ordinate Bench in the case of *Amrut Public Charitable Trust (supra)* has also decided this issue condoning the delay in filing Form 10AB.

8. On the above observation, we deem it fit to hold that section 80G of the Act being a beneficial provision which was intended to promote philanthropy by carrying out genuine charitable activities through donations received from donors are purely intended to be for the benefit of the society at large. Though there are various time lines specified in the provisions, the CBDT has extended it time to time post 2021 regime for provisional and regular registration which clearly implies that the intention was not to extinguish otherwise valid charitable activities on procedural defects. There is no dispute by the Revenue as to the charitable activities carried on by the assessee trust which was already granted provisional approval, in which case denial of regular approval purely on limitation would undermine the legislative object. When the CBDT itself has extended the time limit by invoking section 119(2)(b) of the Act, in analogous context, which reveals that the limitation for filing Forms 9A/10/10B/10BB etc. are not sacrosanct when there are genuine hardships caused to the assessee trust. When there are bonafide mistakes on the part of the assessee trust otherwise without any malafide, any technical lapses not being cured would



cause disproportionate hardship to both the trust and its donors. We are also conscious of the decision of the Hon'ble Apex Court in the case of *Wipro Ltd. (supra)* where the exemption claimed by the company on or before the "due date" is held to be a substantive precondition, which cannot be treated akin to section 80G provision which is more of a public interest dimension requiring purposive and less literal application of time limits than that in the case of *Wipro Ltd. (supra)*. We, therefore, deem it fit to adopt a harmonious interpretation for the purpose of enhancing activities of genuine trusts. On this observation, we deem it fit to restore the issue to the file of the Ld. CIT(E) for condoning the delay in filing the application in Form 10AB and to decide the application on the merits and in accordance with law.

9. In the result, the appeal filed by the assessee is hereby allowed for statistical purpose on the above terms.

Order pronounced in the open court on 27.03.2026

Sd/-
(VIKRAM SINGH YADAV)
ACCOUNTANT MEMBER

Sd/-
(KAVITHA RAJAGOPAL)
JUDICIAL MEMBER

Mumbai; Dated: 27.03.2026

* Kishore, Sr. P.S.

Copy of the Order forwarded to:

1. The Appellant
2. The Respondent
3. CIT- concerned
4. DR, ITAT, Mumbai
5. Guard File

BY ORDER,

(Dy./Asstt.Registrar)
ITAT, Mumbai