

आयकर अपीलिय अधिकरण, 'ए' न्यायपीठ, चेन्नई  
**IN THE INCOME TAX APPELLATE TRIBUNAL  
'A' BENCH: CHENNAI**

श्री एबी टी. वर्की, न्यायिक सदस्य एवं  
श्री एस. आर. रघुनाथा, लेखा सदस्य के समक्ष

**BEFORE SHRI ABY T. VARKEY, JUDICIAL MEMBER AND  
SHRI S.R.RAGHUNATHA, ACCOUNTANT MEMBER**

आयकर अपील सं./ITA No.515/Chny/2025  
निर्धारण वर्ष/Assessment Year: 2025-26

Foundation for Friendly Environment & Medical Awareness, No.683, 8 <sup>th</sup> Street, S.A.Colony, Vyasarpadi, Chennai-600 039.	v.	The CIT (Exemption), Chennai.
[PAN: AAATF 6301 M]		
(अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)
अपीलार्थी की ओर से/ Appellant by	:	Mr.P.M. Kathir, Advocate acting in Pro Bono Capacity for the assessee
प्रत्यर्थी की ओर से /Respondent by	:	Ms.E. Pavuna Sundari, CIT
सुनवाईकीतारीख/Date of Hearing	:	03.09.2025
घोषणाकीतारीख /Date of Pronouncement	:	07.10.2025

**आदेश / ORDER**

**PER ABY T. VARKEY, JM:**

This is an appeal preferred by the assessee against the order of the Learned Commissioner of Income Tax (Exemptions), (hereinafter referred to as 'Ld.CIT(E)'), Chennai, dated 27.01.2025 seeking approval u/s.80G of the Income Tax Act, 1961 (hereinafter referred to as 'the Act').



:: 2 ::

**2.** The sole ground of appeal in this appeal of assessee is against rejection of application seeking approval u/s.80G of the Act on the ground that the same is not maintainable.

**3.** The assessee had filed an application dated 31.07.2024 in Form No. 10AB under clause (iii) of the first proviso to sub-section (5) of Section 80G of the Act. The Ld.CIT(E) rejected the application on the ground that the trust was required to file the application by 30.06.2024, in view of CBDT Circular No.7/2024 dated 25.04.2024, but has filed it belatedly on 31.07.2024, with a delay of '31' days. The Ld.CIT(E) held the application to be not maintainable.

**4.** The Learned Authorized Representative (Ld.AR) of the assessee has submitted that the assessee was a new Trust, which was granted provisional approval u/s.80G of the Act on 05.04.2022 until AY 2024-25. And for regular approval, assessee had filed an application under clause (iii) of the first proviso to sub-section (5) of Section 80G of the Act. As per the earlier provisions, the application was required to be made on or before September 2023, i.e., six (6) months prior to the expiry of the provisional approval period, which ended on 31.03.2024. Subsequently, the CBDT issued Circular No.7/2024 dated 25.04.2024, extending the due date for filing the application to 30.06.2024. The Ld.AR further brought to our notice that Section 80G has been amended by inserting clause (iv) in



:: 3 ::

the first proviso to Section 80G(5), which now allows an assessee that has commenced its activities to apply for approval at any time after such commencement. Accordingly, it was submitted that the assessee's application may be considered under clause (iv)(B) of Section 80G(5) of the Act. The Ld. AR also referred to the Memorandum explaining the provisions of the Finance Bill, 2024, wherein the insertion of clause (iv) was proposed to rationalize the timeline for filing the application for approval by providing to file application any time after commencement of activities. In view of this amendment, the Ld. AR requested that the approval may be granted with effect from 01.10.2024, being the date from which the amended provisions under clause (iv) of Section 80G(5) came into force.

**5.** On the other hand, the Ld. Departmental Representative (DR), has relied on the order of Ld CIT(E) and contended that assessee may now file fresh application as per the amended provision under clause (iv)(B) of Section 80G(5).

**6.** We have heard the rival submissions, and perused the materials available on record. The assessee made application under clause (iii) of first proviso to sub-section (5) of Section 80G of the Act seeking approval u/s. 80G of the Act on 31.07.2024. The Ld. CIT(E) has rejected the application as not maintainable on the ground that the assessee has not



:: 4 ::

filed the application before 30.06.2024, which is the cut-off date prescribed by the 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, w.e.f. 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 27.01.2025 after the amendment had come into force, as non maintainable. We, therefore can't countenance the impugned action of the Ld.CIT(E) and instead we find force in the alternate plea of the assessee which written submissions of the Ld.AR is reproduced as under:

1. The present appeal has been filed challenging the order of the CIT(E) dated 27.01.2025, wherein the application filed by the appellant u/s.80G(5) 1st proviso (iii) has been rejected for the reason that the same was filed belatedly.
2. The appellant had initially obtained provisional registration under clause (i) of 1st proviso to section 80G(5) of the Act vide order of the CIT(E) dated 05.04.2022, from 05.04.2022 to A.Y.2024-25. The appellant ought to have filed the application for extension of this registration under clause (iii) on or before the extended due date of 30.06.2024. However, the appellant has filed the same belatedly on 31.07.2024 and the CIT(E) has rejected the same vide the impugned order for the sole reason that the application is beyond the prescribed time limit.



:: 5 ::

3. Our alternate prayer before this Hon'ble Tribunal is that the application filed on 31.07.2024 under clause (iii) be considered as an application filed under sub-clause (B) of clause (iv) of 1st proviso to section 80G(5) of the Act. This provision was inserted by the Finance Act, 2024, w.e.f.01.10.2024, which enabled trusts to file the applications at any time after the commencement of its activities. Once this application is filed, the CIT(E) can scrutinize the application filed and if satisfied, he can provide registration for 5 years. As per 4th proviso to section 80G(5) of the Act, this registration is to be granted from the assessment year immediately following the financial year in which such application is made. The application was filed on 31.07.2024, during the F.Y.2024-25 and thus the registration is to be granted from A.Y.2025-26.

4. Hence, we pray that the Hon'ble Tribunal may kindly direct the CIT(E) to consider the application filed under clause (iii) on 31.07.2024, as an application filed under sub-clause (B) of clause (iv), and process the same as per law. For this, we place reliance on the decision of this Hon'ble Tribunal in Aalayam vs. CIT(E) in ITA No.1012/Chny/2025.

**7.** In the light of the discussion supra and the plea of the assessee to consider it's plea to grant registration from AY 2023-26, we set aside the impugned action of the Ld.CIT(E) and instead direct the Ld. CIT(E) to treat the application filed on 31.07.2024 as having been filed under clause (iv)(B) of the first proviso to Section 80G(5), and, decide in accordance with the law after hearing the assessee. The assessee to participate and file relevant documents requisitioned by the Ld.CIT(A). In view of the above, the appeal filed by the assessee is allowed for statistical purposes only.



ITA No.515/Chny/2025 (AY 2025-26)  
Foundation for Friendly Environment &  
Medical Awareness

:: 6 ::

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

Order pronounced on the 07<sup>th</sup> day of October, 2025, in Chennai.

**Sd/-**

(एस. आर. रघुनाथा)  
**(S.R.RAGHUNATHA)**

लेखा सदस्य/**ACCOUNTANT MEMBER**

**Sd/-**

(एबी टी. वर्की)  
**(ABY T. VARKEY)**

न्यायिक सदस्य/**JUDICIAL MEMBER**

चेन्नई/Chennai,

दिनांक/Dated: 07<sup>th</sup> October, 2025.

**TLN**

आदेश की प्रतिलिपि अग्रेषित /**Copy to:**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकरआयुक्त/CIT, Chennai / Madurai / Salem / Coimbatore.
4. विभागीयप्रतिनिधि/DR
5. गार्डफाईल/GF