

आयकर अपीलीय अधिकरण, 'डी' न्यायपीठ, चेन्नई
IN THE INCOME TAX APPELLATE TRIBUNAL
'D' BENCH, CHENNAI

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

आयकर अपीलसं./ITA No.2411/CHNY/2025

(निर्धारण वर्ष / Assessment Year:2025-26)

Chandrakala GMJain Charitable Trust, 57 New No.26, Taylors Road, REMS Street, Kilpauk Chennai - 600 010.	vs.	The CIT(Exemptions), Chennai.
PAN: AABTC-2899-J (अपीलार्थी/Appellant)		(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Shri Vishva Padmanabhan, C.A.
प्रत्यर्थी की ओर से/Respondent by : Shri. AR. V. Sreenivasan, C.I.T.
सुनवाई की तारीख/Date of Hearing : 23.10.2025
घोषणा की तारीख/Date of Pronouncement : 20.11.2025

आदेश / ORDER

PER S.R.RAGHUNATHA, AM:

The present appeal is filed by the assessee against the order dated 26.06.2025 passed by the Commissioner of Income Tax (Exemptions) (hereinafter referred to as "Id.CIT(E)"), rejecting the approval sought u/s.80G of the Income Tax Act, 1961 (hereinafter referred to as the "Act").

2. The assessee is a trust and filed an application dated 21.12.2024 in Form 10AB under Rule 11AA, seeking approval under (iii) of first proviso to sub-section (5) of section 80G of the Act. The Id.CIT(E) rejected the said application dated 26.06.2025 on the sole ground of delay in filing the application by 174 days. Aggrieved by the order passed by the Id.CIT(E), the assessee is in appeal before us.

3. The case of the Id.CIT(E) is as follows: The assessee had obtained its provisional approval u/s.80G of the Act in Form 10AC dated 27.05.2021 for the period from A.Y.2021-22 to A.Y.2023-24. Accordingly, the application for approval u/s.80G of the Act in the Form 10AB in terms of clause (iii) of proviso to sub-section (5) of section 80G of the Act ought to have been filed on or before 30.09.2022, which is 6 months prior to 31.03.2023 pertaining to Previous Year 2022-23 and Assessment Year 2023-24. Further, CBDT vide Circular No.7/2024 dated 25.04.2024 extended the time limit to 30.06.2024; yet the assessee had filed the application for approval u/s.80G only on 21.12.2024, with a delay of 174 days. There is no provision in the Act to condone the delay in filing Form 10AB seeking approval u/s.80G, though the Act provides the power to condone the delay in filing Form 10AB seeking registration u/s.12AB of the Act. Consequently, the Id.CIT(E) deemed the application to be non-maintainable.

4. Before us, the Ld.AR of the assessee reiterated the submissions made before the Id.CIT(E) and further relied on the decisions rendered by the Mumbai Bench in *Jal Minocher Mistry Memorial Foundation vs CIT(E)* [2025] 171 taxmann.com 726 (Mumbai-Trib.) wherein it was held that registration should not be denied on errors of

mere technicalities and Surat Bench in N.J.Charitable Foundation vs CIT(E) in [2024] 161 taxmann.com 21 (Surat-Trib.), wherein, the delay of filing the relevant application u/s.80G of the Act was condoned by the Tribunal. The Ld.AR prayed that the delay in filing the application may be condoned.

5. Per contra, the Ld.DR supported the views taken by the Id.CIT(E) and argued that the rejection is justified. The Ld.DR further submitted that when the law is explicit in not providing the Id.CIT(E) with the power to condone the delay in filing relevant application u/s.80G, while expressly providing the powers of condoning the delay when it comes to section 12AB of the Act, the action of the Id.CIT(E) is perfectly in order. The Ld.DR thus prayed that the appeal of the assessee may be dismissed.

6. We have heard the rival submissions and perused the materials on record and gone through the order of the Id.CIT(E). We find that the sole issue for consideration before us is that whether the assessee is eligible for the approval u/s.80G of the Act or not.

7. We find that the application has been made under clause (iii) of the proviso to sub section 5 of section 80G of the Act, which reads as under, *“where the institution or fund has been provisionally approved, at least six months prior to expiry of the period of the provisional approval or within six months of commencement of its activities, whichever is earlier”*. It can be seen that w.e.f. 01.10.2024 vide Finance(No.2) Act, 2024, Clause (iv) reads as under:

*“(in any other case) where activities of the institution or fund have--
(A) not commenced, at least one month prior to the commencement of the previous year relevant to the assessment year from which the said approval is sought;*

~~(B) commenced (and where no income or part thereof of the said institution or fund has been excluded from the total income on account of applicability of sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10 or section 11 or section 12 for any previous year ending on or before the date of such application), at any time after the commencement of such activities: (the words that are struck off are omitted vide Finance (No.2) Act, 2024.)~~

8. The Legislature, in its wisdom had chosen to omit the rigorous conditions that originally stood prior to the amendment. It can be seen that it is an enabling amendment, wherein any charitable institution, where its activities have commenced and where, even if it had claimed income exemptions specific to charitable institution, can still apply for registration u/s.80G(5) of the Act. Accordingly, it permits any assessee, which had missed the timeline specified under clause (iii), to apply under clause (iv) sub clause (B) of the 1st proviso to sub-section 5 of Section 80G of the Act. Consequent to this amendment, if the assessee applies under clause (iv) today, subject to the fulfilment of other conditions, would not be ineligible for the approval, owing to the limitation of time which is specific to clause (iii). Albeit, at the time of applying for registration on 21.12.2024, the benefit of (iv) was not available to the assessee and the only clause, under which it could apply, was clause (iii), yet, post the amendment from 01.10.2024, it is eligible to apply under clause (iv).

9. With this observation, in the interest of justice, we direct the Id.CIT(E) to treat the application made on 21.12.2024 under clause (iii) of 1st proviso to subsection 5 of section 80G of the Act, as an application made under sub-clause (B) of clause (iv) of 1st proviso to sub-section 5 of section 80G of the Act and verify all other conditions stipulated under the Act for grant of registration u/s.80G of the Act and accordingly dispose of the application on merits, in accordance with law. For the purpose of the time limit within which the application must be disposed of by the Id.CIT(E), as per 4th

proviso to section 80G(5) of the Act, the starting point must be the date on which this order is served to the revenue.

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

Order pronounced in the court on 20th November, 2025 at Chennai.

Sd/-
(मनु कुमार गिरि)
(MANU KUMAR GIRI)
न्यायिक सदस्य/**Judicial Member**

Sd/-
(एस. आर. रघुनाथा)
(S.R.RAGHUNATHA)
लेखा सदस्य/**Accountant Member**

चेन्नई/Chennai,

दिनांक/Dated, the 20th November, 2025

SP

आदेश की प्रतिलिपि अग्रेषित/Copy to:

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