

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई।
IN THE INCOME TAX APPELLATE TRIBUNAL
'B' BENCH: CHENNAI

सुश्री पदमावती यस, लेखक सदस्य एवं श्री मनु कुमार गिरि, न्यायिक सदस्य के समक्ष
BEFORE MS. PADMAVATHY.S, ACCOUNTANT MEMBER AND
SHRI MANU KUMAR GIRI, JUDICIAL MEMBER

आयकर अपील सं./ITA Nos.3349 & 3350/Chny/2025

Arulcheyal Kainkarrya Sabha,
Nakeeran Street,
West Mambalam,
Chennai – 600 003.
PAN: AAFTA 6087Q

Vs. The Commissioner of Income Tax
(Exemptions),
Chennai.

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by
प्रत्यर्थी की ओर से /Respondent by

: None
: Mr. Shiva Srinivas, CIT

सुनवाई की तारीख/Date of Hearing
घोषणकी तारीख /Date of Pronouncement

: 21.01.2026
: 29.01.2026

आदेश / O R D E R

PER PADMAVATHY.S, A.M.:

These appeals by the assessee are against the order of the Commissioner of Income Tax (Exemptions), Chennai (in short "CIT(E)") dated 22.09.2025 rejecting the registration u/s.12AB and 80G of the income tax Act, 1961 (in short 'the Act').

2. The assessee is a charitable trust established in 2016 with an object of promoting Indian languages, oriental languages, veda sashtras, giving scholarship and financial assistance to students and feeding poor and needy.

:- 2 -:

The assessee made application for registration on 25.02.2025 and the CIT(E) called on the assessee to furnish details of activity and documentary evidences on or before 29.08.2025. The assessee sought adjournment and since the application was time barring the CIT(E) rejected the registration stating that the assessee has not furnished any details.

3. We heard the Ld. DR and perused the material on record. From the perusal of the order of the CIT(E) we notice that the CIT(E) has denied the registration on the ground that the assessee has not furnished any documents and details in support of the activities. We further notice that the CIT(E) did not allow the adjournment sought by the assessee for the reason that the application was getting time barred. Considering the facts and circumstances peculiar to the case, and in the interest of natural justice we are of the view that the assessee need to be given one more opportunity to furnish the relevant details in support of the application made u/s.12AB of the Act. Accordingly we remit the appeal back to the CIT(E) to consider the application afresh by calling for the required details and consider the registration on merits in accordance with law. The assessee is directed to file the relevant details as called for without seeking unnecessary adjournments and cooperate with the proceedings. It is ordered accordingly.

ITA No.3350/Chny/2025

4. The assessee has obtained provisional registration u/s.80G on 26.12.2022 for a period from AY 2023-24 to 2025-26. The assessee vide application dated 25.02,2025 applied for registration under section 80G(5) of the Act. The CIT(E) called on the assessee to furnish details on the activities and supporting documents vide show cause notice dated 13.09.2025. The assessee sought time to file the details and sought adjournment. The CIT(E)

:- 3 -:

denied the adjournment stating that the time barring timeline is as of 30.09.2025 and proceeded to decide the case on materials available on record. The CIT(E) denied the registration on the ground that the application ought to have been submitted on or before 30.09.2024 and that the activities of the assessee are not charitable in nature. The CIT(E) further held that the assessee has not submitted any documentary evidences in support of the activities. The assessee is in appeal before the Tribunal against the order of the CIT(E).

5. We have heard the Ld. DR and perused the material available on record. The solitary issue in this appeal of assessee is the assessee' application seeking approval u/s. 80G of the Act was rejected by the CIT(E) for the reason that it was not filed within the due date prescribed u/s.80G(5)(iii) of the Act. The relevant observations of the CIT(E) rejecting the assessee's application are extracted here under:-

“The application seeking approval under section 80G is rejected for the following reasons:

4.1. Provisional approval/ approval

The applicant trust was established on 05/12/2016 vide its trust deed / MoA/Bye Law and has obtained provisional approval in Form 10AC u/s 80G on 26/12/2022 for the period from AY 2023-24 to 2025-26.

4.2. Accordingly, the application for approval u/s 80G in Form 10AB as per the provisions of section 80G(5)(iii) should have been filed on or before 30th September 2024. The relevant provisions of section 80G(5)(iii) is reproduced as under:

Provided that the institution or fund referred to in clause (vi) shall make an application in the prescribed form and manner to the Principal Commissioner or Commissioner, for grant of approval,-

(iii) 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,

:- 4 -:

But in this case, you have applied for approval u/s 80G in Form 10AB on 25.02.2025 i.e. only after the stipulated period. Hence, the application seeking approval u/s 80G cannot be considered for approval.

4.3 Moreover, the said application is found to be deficient without enclosing necessary details / documents & explanation(s), as requested in the show-cause notice (SCN) dated 22/08/2025.

4.4 Since there was no response from the applicant for the SCN dated 22/08/2025, Considering all the above legal provision, I am constrained to reject the application filed in Form 10AB seeking approval u/s 80G.

4.5. Therefore, the application dated 25/02/2025 filed in Form No. 10AB under clause (iii) of first proviso to section 80G(5) of the Income Tax Act, 1961 seeking approval u/s. 80G is hereby REJECTED for the reasons stated in para 4.1 to 4.4 of this order.”

6. The assessee filed an application seeking approval under section 80G of the Act on 28.09.2024 by invoking clause (iii) of the first proviso to section 80G(5) of the Act. The Ld. CIT(E) rejected the said application as not maintainable on the ground that it was not filed on or before 30.06.2024, as prescribed under CBDT Circular No.7/2024 dated 25.04.2024. However, it is an admitted position that by the Finance Act, 2024, clause (iv) was inserted in the first proviso to section 80G(5) of the Act with effect from 01.10.2024, permitting a trust which has commenced its activities to apply for approval under section 80G(5) at any time thereafter. The said provision operates independently of clause (iii), which governed the earlier time limits. In the present case, the order rejecting the assessee's application was passed by the Ld. CIT(E) on 22.09.2025, i.e., after the amended provisions had come into force. In our considered view, the application filed by the assessee on 25.02.2025 ought to have been examined in the light of clause (iv)(B) of the first proviso to section 80G(5) of the Act.

:- 5 -:

7. A similar view was taken by the Co-ordinate Bench of ITAT, Chennai in the case of M/s. Madras Chinmaya Seva Trust (*supra*). The relevant finding of the Tribunal reads as follows:-

“6. We have considered the rival submissions, perused the order of the coordinate Bench of Tribunal in the case of Aalayam Vs The CIT(E) referred supra and reviewed the materials available on the record. The assessee submitted an application under clause (iii) of the first proviso to subsection (5) of Section 80G of the Act, seeking approval under section 80G of the Act on 30.09.2024. The Ld. CIT(E) rejected the application as not maintainable, citing that the assessee did not file the application before 30.06.2024, as stipulated in CBDT Circular No.7/2024 dated 25.04.2024. However, it is important to note that clause (iv) has been added to the first proviso to Section 80G(5) by the Finance Act, 2024, effective from 01.10.2024, allowing the assessee trust to apply for approval under section 80G(5) at any time following the commencement of its activities. This new provision is separate from clause (iii), which governed the previous timeline. The Ld. CIT(E) issued the order rejecting the application on 17.03.2025, after the amendment had taken effect, deeming it non-maintainable. Therefore, we direct the Ld.CIT(E) to consider the application submitted on 30.09.2024 as filed under clause (iv)(B) of the first proviso to Section 80G(5) and to make a decision in accordance with the law. In light of the above and respectfully following the order of the co-ordinate Bench of Tribunal in the case of Aalayam VsThe CIT(E), the appeal submitted by the assessee is allowed for statistical purposes only.”

8. Identical view was also taken by the Co-ordinate Bench of the Tribunal in the case of Aalayam vs. CIT(E) (*supra*) and Mumbai Bench of the Tribunal in the case of Chetana vs. CIT(E), (*supra*). Accordingly, we set aside the impugned order and direct the Ld. CIT(E) to treat the application dated 22.09.2025 as an application filed under clause (iv)(B) of the first proviso to section 80G(5) of the Act and to decide the same in accordance with law along with the application filed for registration u/s.12A of the Act. It is ordered accordingly.

:- 6 -:

9. In result, both the appeals filed by the assessee are allowed for statistical purposes.

Order pronounced on 29th day of January, 2026 at Chennai.

Sd/-
(मनु कुमर गिरि)
(Manu Kumar Giri)

न्यायिक सदस्य / Judicial Member

Sd/-
(पदमावती यस)
(Padmavathy.S)

लेखा सदस्य /Accountant Member

चेन्नई/Chennai, दिनांक/Dated: 29th January, 2026.

EDN, Sr. P.S

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