

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 No.3378/Chny/2025

M/s. Veda Agama Heritage Trust,
Old No.57/3, New NO.25,
2nd Floor, Saravana Illam,
2nd Main Road, Renga Nagar,
Tiruchirapalli – 620 021.
PAN: AADTV 8359E

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

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

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

: Ms. Jharna B. Harilal, C.A
: Ms. Gouthami Manivasagam, Addl. CIT

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

: 21.01.2026
: 28.01.2026

आदेश / O R D E R

PER PADMAVATHY.S, A.M:

This appeal by the assessee is against the order of the Commissioner of Income Tax (Exemptions), Chennai (in short "CIT(E)") dated 25.09.2025.

2. The assessee is a charitable trust established in 18.07.2022 with an object to preserve and promote the vedic cultural heritage of India through educational spiritual and charitable initiatives and provide donations to pursue vedic practices. The assessee has obtained provisional registration u/s.80G on 07.12.2022 for a period from the said date to AY 2025-26. The assessee vide

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application dated 27.03.2025 applied for registration under section 80G(5)(ii) of the income tax Act, 1961 (in short 'the Act"). The CIT(E) called on the assessee to furnish details on the activities and supporting documents vide show cause notice dated 30.05.2025 & 04.08.2025. 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 submitted the application under wrong subsection and 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).

3. We have heard the parties and perused the material available on record. With regard to the wrong mentioning of sub-clause we are of the view that the incorrect mention of the relevant clause, admittedly due to inadvertence, constituted only a curable defect and not an illegality. The CIT (E) could have afforded an opportunity to the assessee to rectify the defect or could have treated the application under the appropriate clause but instead rejected the application on technical grounds. Accordingly we direct the CIT(E) to consider the application as filed under the correct sub clause.

4. The next ground for rejection is 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) are extracted below –

“ 4.2 Delay in filing application:

The applicant society had filed its application seeking approval u/s 80G(5) in Form 10AB on 26.03.2025 u/s 80G(5)(ii). But, the applicant trust had obtained provisional approval from CPC 07.12.2022 in Form 10AC for the period from 17.10.207.12.2022 to AY 2025-26. Thus, the applicant society is not eligible to apply for approval u/s 80G(5)(ii).

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Even if the application is considered u/s 80G(5)(iii), the same cannot be entertained for the reasons mentioned in para 4.3 below

4.3. Provisional approval

Thus as explained in the show case notice dated 04.08.2025, the applicant trust ought to have applied for approval u/s 80G in Form 10AB on or before September 2024 (i.e. 6 months prior to the expiry of the period of provisional approval). In this case, the provisional approval expired on AY 2025-26 relevant PY 2024-25 and thus the applicant ought to have applied on or before September 2024. For brevity, the relevant provisions of section 80G(5) (iii) is reproduced 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,

5. The Ld. AR of the assessee submitted that the assessee had filed its application in terms of clause (iii) of the first proviso to section 80G(5) of the Act. As per the provisions then in force, such application was required to be filed six months prior to the expiry of the provisional approval, i.e., on or before September 2023, the provisional approval being valid up to 31.03.2024. Subsequently, the CBDT issued Circular No.7/2024 dated 25.04.2024, extending the time limit for filing the application up to 30.06.2024. It was further submitted that section 80G has since been amended by insertion of clause (iv) in the first proviso to section 80G(5) of the Act, whereby an assessee which has commenced its activities is permitted to apply for approval at any time after such commencement. In view of the said amendment, it was contended that the assessee's application deserves to be considered under clause (iv)(B) of section 80G(5) of the Act. The Ld. AR also placed reliance on the Memorandum explaining the provisions of the Finance Bill, 2024, which clarifies that the insertion of clause (iv) was intended to rationalise and streamline the timeline for filing applications for approval under section 80G. Accordingly, it was submitted that the approval be granted

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with effect from 01.10.2024, being the date from which the amended provisions came into force. Reliance was also placed on the decisions of the co-ordinate Benches of the Tribunal in *Aalayam v. CIT(E) in ITA No.1012/Chny/2025 dated 25.07.2025*, *M/s. Madras Chinmaya Seva Trust v. CIT(E) in ITA No.885/Chny/2025 dated 17.10.2025*, and the decision of the *Mumbai Bench in Chetana v. CIT(E) [2025] 176 taxmann.com 713 (Mumbai-Trib)*.

6. The ld DR, on the other hand, relied on the order of the CIT(E).

7. We have heard the rival submissions and perused the materials available on record. The Ld. CIT(E) rejected the 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 25.09.2025, i.e., after the amended provisions had come into force. In our considered view, the application filed by the assessee on 06.03.2025 ought to have been examined in the light of clause (iv)(B) of the first proviso to section 80G(5) of the Act.

8. 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:-

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“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.”

9. 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 06.03.2025 as an application filed under clause (iv)(B) of the first proviso to section 80G(5) of the Act. The CIT(E) is further directed to call for relevant details and consider the eligibility of the assessee in accordance with law. It is ordered accordingly.

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

Order pronounced on 28th day of January, 2026 at Chennai.

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

न्यायिक सदस्य / Judicial Member

Sd/-
(पदमवती यस)
(Padmavathy.S)

लेखा सदस्य /Accountant Member

चेन्नई/Chennai, दिनांक/Dated: 28th 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