

**IN THE INCOME-TAX APPELLATE TRIBUNAL, MUMBAI“C” BENCH, MUMBAI
BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER AND
SHRI BIJAYANANDA PRUSETH, ACCOUNTANT MEMBER**

ITA No. 4496/Mum/2025

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ITA No. 4497/Mum/2025

IKS Care Foundation. WeWorkZenia, 4 th Floor, Hiranandani Business Park, Chitalsar, Manpada, Thane, Mumbai-400607.	vs.	CIT (Exemption)- Pune. Room No.322, 3 rd Floor, Income Tax Office PMT Building, Shankar Seth Road, Pune-411037.
PAN/GIR No:AAHCI3601F		
(Appellant)		(Respondent)

Appellant by	Shri Prashant Ghumare
Respondent by	Shri R.A. Dhyani, (CIT DR)
Date of Hearing	24.12.2025
Date of Pronouncement	22.01.2026

ORDER

PER BIJAYANANDA PRUSETH, AM:

These appeals by the assessee emanate from the orders passed under section 250 of the Income-tax Act, 1961 (in short, 'Act') by the learned Commissioner of Income-Tax, CIT(Exemptions), Pune[in short, 'CIT(E)'], both dated 12.06.2025. In ITA No.4496/Mum/2025 the appeal is against rejection of application u/s 12A(1)(ac)(vi) of the Act whereas ITA No.4497/Mum/2025 is against rejection of application u/s 80G(5)(iii) of the Act.

2. The grounds of appeal raised by the assessee in ITA No. 4496/M/2025 are as under:

“THE ORDER IS BAD IN LAW, ILLEGAL AND WITHOUT JURISDICTION

1.1 In the facts and the circumstances of the case, and in law, the order passed by Commissioner of Income Tax Exemption, Pune [‘I.d. CIT(E)’], rejecting the application of the Appellant seeking final registration, is bad in law, illegal and without jurisdiction, as:-

- i. the same is framed in breach of the statutory provisions of the Income tax Act, 1961 [‘the Act’]; and
- ii. the same is arbitrary and perverse.

WITHOUT PREJUDICE TO THE ABOVE

2. GROSS BREACH OF PRINCIPLES OF NATURAL JUSTICE

2.1 In the facts and the circumstances of the case, and in law, the impugned order passed by the Ld. CIT (E) is bad in law and illegal, as the same is framed in gross breach of the principles of natural justice.

2.2 Without prejudice to the generality of the above ground, the impugned order is bad in law and illegal as no proper, sufficient and fair opportunity of being heard was provided to the Appellant.

2.3 It is submitted that in the facts and the circumstances of the case, and in law, the order is bad in law and illegal on this ground as well.

WITHOUT FURTHER PREJUDICE TO THE ABOVE

REJECTION REGISTRATION OF THE APPLICATION FOR FINAL

3.1 The CIT (E) erred in passing order in Form 10AD, rejecting the application of the Appellant seeking final registration made, on the ground that the conditions of section 12A(1)(ac)(vi)(B) of the Act were not satisfied by the Appellant.

3.2 While doing so, the CIT(E) erred in:

- i. Basing his action on surmises, suspicion and conjecture;
- ii. Taking into account irrelevant and extraneous considerations, and
- iii. Ignoring relevant material and considerations as submitted by the Appellant.
- iv. Not appreciating that there was no option available with the Appellant on its e-filing portal with the Income Tax Department to make the application under sub-clause (iii) of clause (ac) of sub - section (1) of section 12A of the Act.
- v. Not appreciating that the only option available with the Appellant to proceed further for uploading the application for fresh registration

was to select code '4A pertaining to item (B) of sub-clause (vi) of clause (ac) of sub-section (1) of section 12A of the Act

- vi. *Not appreciating that the clarification regarding selection of code 4A instead of code 2 was duly brought on record by the Appellant.*

3.3 *It is submitted that in the facts and the circumstances of the case, and in law, no such rejection was called for.*

4. LIBERTY

The Appellant craves leave to add, alter, delete or modify all or any the above ground at the time of hearing.”

3. The grounds of appeal raised by the assessee in ITA No. 4497/M/2025 are as under:

“THE ORDER IS BAD IN LAW, ILLEGAL AND WITHOUT JURISDICTION

1.1 *In the facts and the circumstances of the case, and in law, the order passed by Commissioner of Income Tax Exemption, Pune [‘Ld. CIT(E)’], rejecting the application of the Appellant seeking final registration, is bad in law, illegal and without jurisdiction, as –*

(i) the same is framed in breach of the statutory provisions of the Incometax Act, 1961 [‘the Act’]; and

(ii) the same is arbitrary and perverse.

WITHOUT PREJUDICE TO THE ABOVE

2. GROSS BREACH OF PRINCIPLES OF NATURAL JUSTICE

2.1 *In the facts and the circumstances of the case, and in law, the impugned order passed by the Ld. CIT (E) is bad in law and illegal, as the same is framed in gross breach of the principles of natural justice.*

2.2 *Without prejudice to the generality of the above ground, the impugned order is bad in law and illegal as no proper, sufficient and fair opportunity of being heard was provided to the Appellant.*

2.3 *It is submitted that in the facts and the circumstances of the case, and in law, the order is bad in law and illegal on this ground as well.*

WITHOUT FURTHER PREJUDICE TO THE ABOVE

REJECTION REGISTRATION THE APPLICATION FOR FINAL

3.1 The CIT (E) erred in passing order in Form 10AD, rejecting the application of the Appellant seeking final registration made, on the ground that the conditions of section 80G(5)(1) of the Act were not satisfied by the Appellant

3.2 While doing so, the Ld. CIT (E) erred in

(i) Basing his action on surmises, suspicion and conjecture,
(ii) Taking into account irrelevant and extraneous considerations, and
(iii) Ignoring relevant material and considerations as submitted by the Appellant.

(iv) Not appreciating that there was no option available with the Appellant on its e-filing portal with the Income Tax Department to make the application under clause (iii) of first proviso to sub-section (5) of section 80G of the Act.

(v) Not appreciating that the only option available with the Appellant to proceed further for uploading the application for fresh registration was to select code 14A' pertaining to sub-clause (B) of clause (iv) of first proviso to sub-section (5) of section 80G of the Act.

(vi) Not appreciating that the clarification regarding selection of code 14A instead of code 14 was duly brought on record by the Appellant.

3.3 It is submitted that in the facts and the circumstances of the case, and in law, no such rejection was called for.

4. **LIBERTY**

The Appellant craves leave to add, alter, delete or modify all or any the above ground at the time of hearing."

4. Facts of the case, in brief, are that the assessee filed application in Form 10AB along with its annexures on 03.12.2024. In order to verify the genuineness of the activities and compliance to the requirements of any other law for the time being in force by the trust as are material for the purpose of achieving its objects, the Ld. CIT(E) issued notice on 23.01.2025. The assessee filed certain details which were verified and various discrepancies were noticed. Accordingly, another

notice was issued on 23.04.2025. In response thereto, the assessee furnished details on 29.04.2025. The appellant submitted that it had re-applied for final registration u/s 12A and 80G on 03.12.2024 and 11.12.2024 respectively. The charitable activities had already started before the date of re-application and qualified under Code-02. However, the income-tax portal did not permit assessee to select the said Code-02. Left with no choice, the appellant proceeded by selecting Code-4A from the drop down option. The above Code pertains to sub-clause (vi) of clause (ac) of Section 12A (1) of the Act. This fact was communicated to the CIT(E) seeking his guidance for corrective measures. The assessee also requested that an opportunity of hearing may be granted in case any adverse view is taken. The reply of the assessee was considered by the CIT(A) who reproduced provisions of 12(1)(ac)(vi)(B) and observed that the provisions of above Section are not applicable in case of the assessee. Thus, fulfillment of conditions is not satisfied. Hence, he rejected the application of the assessee.

5. Aggrieved, the assessee has filed the present appeal enclosing therein copy of application filed by the appellant in Form 10AB u/s 12A(1)(ac)(iii) of the Act dated 03.12.2024, copy of provisional registration. The Ld. AR of the assessee submitted that the CIT(E) rejected the application filed in Form 10AB as not maintainable. Since the assessee has commenced the activities in November 2023 before the date of filing the application for the final registration, the

application was required to be filed u/s 12A(1)(ac)(iii) under Code-02 in Form 10AB. However, the e-filing portal did not allow the assessee to choose Code-02 due to technical glitches and the assessee was forced to opt Code-4A in Form No.10AB. The Ld. AR submitted that this was a common technical glitch which was faced by numerous applicants under similar circumstance. Therefore, he requested that the order of CIT(E) may be set aside with a direction to treat the application filed in Form No.10AB as having filed under Code-2 in Form No.10AB and he may also be directed to allow the application of the assessee.

6. On the other hand, the Ld. CIT-DR of the Revenue supported the order of the CIT(A).

7. We have heard both parties and perused the materials available on record. The appellant has submitted that it had already commenced the activities in November 2023 before the date of filing application for final registration, which was filed on 03.12.2024. This claim of the assessee has not been controverted by the Revenue. Hence, the assessee was required to file application u/s 12A(1)(ac)(iii) of the Act under Code-2 in Form 10AB. However, due to technical glitches the assessee could not proceed further under Code-2. Therefore, it was constrained to opt Code-4A in Form 10AB while filing the said application. It is clear from the facts narrated above that there was no fault on part of the assessee while filing the application for final registration. However, due to

circumstances beyond its control and technical glitches in the income-tax portal, it uploaded the application under the wrong Code-4A. The assessee had duly explained the above facts to the CIT(E) which is noted in para 6 of his order. The assessee had also requested to provide an opportunity of being heard in case any adverse view is taken. However, the CIT(E) proceeded to reject the application of the assessee dated 03.12.2024 without granting any further opportunity. Hence, there was clear violation of principles of natural justice. After considering the totality of the facts and submission of the assessee, we are of the considered opinion the assessee deserves one more opportunity to explain its case on merit before the CIT(E). Accordingly, the order of CIT(E) is set aside and the matter is restored to his file for fresh order on merit after granting adequate and reasonable opportunity of being heard to the assessee. The grounds are allowed for statistical purposes.

8. In the result, the appeal is allowed for statistical purposes.

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9. The facts of the case are that the assessee filed application in Form No.10AB under sub-clause (B) of (iv) of first proviso to sub-section (5) of Section 80G of the Act on 11.12.2024. The application was rejected by the CIT(E) on the ground that the application of the assessee for registration u/s 12A was rejected and hence, the assessee was not eligible for registration u/s 80G. We have already decided the appeal against the

rejection of final registration u/s 12A in ITA No.4496/Mum/2025 (supra) and have allowed it for statistical purpose by setting aside the order of CIT(E) and directing him to pass fresh order on merit. Hence, this order is also set aside and the CIT(E) is directed to consider the application of the assessee on merit after deciding the final registration u/s 12A of the Act. Accordingly, the grounds are allowed for statistical purposes.

10. In the result, the appeal is allowed for statistical purposes.

11. In combined result, the appeals are allowed for statistical purposes.

Order is pronounced on 22.01.2026.

**Sd/-
(NARENDER KUMAR CHOUDHRY)
JUDICIAL MEMBER**

**Sd/-
(BIJYANANDA PRUSETH)
ACCOUNTANT MEMBER**

*Aniket Chand; Sr.PS
MUMBAI

Date: 22.01.2026

Copy of the Order forwarded to:

1. The Assessee
2. The Respondent
3. The CIT(A)
4. CIT
5. DR/AR, ITAT, MUMBAI
6. Guard File

ByOrder

Assistant Registrar
ITAT, MUMBAI