

**IN THE INCOME TAX APPELLATE TRIBUNAL
"A" BENCH, MUMBAI
BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER
AND
SHRI JAGADISH, ACCOUNTANT MEMBER**

ITA No. 7774/Mum/2025

Annacharya Lokapur Foundation 4, Vinay Kunj, Dr M B Raut Road Shivaji Park, Dadar(W), Mumbai-400028 PAN: AAATA5480E	Vs	CIT(E) Room No.601, 6 th Floor, Cumballa Hill, MTNL Building, Peddar Road, Mumbai-400026
(Appellant)		(Respondent)

Assessee by	Shri Shashi Bekal
Department by	Shri Rajesh Kumar Yadav, CIT-DR

Date of Hearing	26.02.2026
Date of Pronouncement	26.02.2026

ORDER

Per: SHRI JAGADISH, A.M.:

1. This appeal is directed against the order passed by the Commissioner of Income Tax (Exemptions) rejecting the application filed by the assessee in Form No. 12AB under clause (iii) of section 12A(1)(ac) of the Income-tax Act, 1961 .
2. The assessee is a charitable trust and has been granted provisional registration under the Act which was valid up to Assessment Year 2015–16. The assessee thereafter filed an

application seeking registration in Form No. 12AB. The CIT(E) rejected the application on the ground that the assessee had continued its activities since obtaining provisional registration on 28.02.2023 , therefore it should have applied for regularisation of provisional registration by Augst 2023 .

3. Before us, the learned Authorised Representative submitted that there was no delay in filing the application for regular registration as assessee has the provisional registration till A.Y 2025-26 and it has filled the application before 31st March 2026. The Ld AR further submitted that even assuming there was any delay in filing the application, the law as amended now confers power upon the CIT(E) to condone the delay in appropriate cases and there was genuine cause in support of which assessee has filled affidavit. It was contended that the rejection without adjudicating upon the objects of the trust and genuineness of its activities is unsustainable in law.
4. The learned Departmental Representative relied upon the impugned order.
5. We have considered the rival submissions and perused the material available on record. We find that the impugned order proceeds on a technical premise without addressing the substantive aspects required to be examined while considering an application for registration. The authority is required to satisfy itself about the charitable objects of the trust and the genuineness of its activities. There is no adverse finding recorded by the CIT(E) on these aspects. Further, the statute now vests the CIT(E) with the power to condone delay in filing such application, subject to satisfaction of sufficient cause.

6. In the interest of justice and fair play, we set aside the impugned order and restore the matter to the file of the CIT(E) for fresh adjudications subject to the condition that the assessee shall deposit cost of ₹11,000/- under the head "Other Receipts" of the Income Tax Department within fifteen days from 26.02.2026. Proof of such deposit shall be produced before the CIT(E) at the time of fresh proceedings. Adequate opportunity of being heard shall be granted and a speaking order shall be passed.
7. In the result, the appeal of the assessee is allowed for statistical purposes subject to the above cost.

Order pronounced in the open court on 26/02/2026

Sd/-

(NARENDER KUMAR CHOUDHRY)

Judicial Member

Sd/-

(JAGADISH)

Accountant Member

Mumbai, Dated: 26/02/2026

Ashwani Rao

Sr. Private Secretary

Copy of the order forwarded to:

1. Appellant
2. Respondent
3. The CIT
4. The CIT (Appeals)
5. The DR, I.T.A.T.

By order

(Assistant Registrar)
ITAT, Mumbai