

**IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI BENCH "E", MUMBAI**

**BEFORE SHRI B.R. BASKARAN, ACCOUNTANT MEMBER AND
MS. KAVITHA RAJAGOPAL, JUDICIAL MEMBER**

ITA NO. 41/MUM/2024

:

A.Y : 2016-17

Think Foundation,
A/22/86, Sunder Nagar,
Kalina Road, Santa Cruz (E),
Mumbai 400 098.

PAN : AACCT3998H (Appellant)

Vs. Income Tax Officer (Exemption),
Ward 2(4), Mumbai.
(Respondent)

**Appellant by : Dr. V. Chandrashekar &
Shri Harshal Shah**

Respondent by : Shri P.D. Chougule

Date of Hearing : 09/05/2024

Date of Pronouncement : 10/05/2024

ORDER

PER B.R. BASKARAN, ACCOUNTANT MEMBER :

The assessee has filed this appeal challenging the order dated 09.11.2023 passed by the learned Commissioner of Income Tax (Appeals), NFAC, Delhi (in short 'CIT(A)') and it relates to A.Y 2016-17.

2. The assessee is aggrieved by the decision of learned CIT(A) in confirming the order of Assessing Officer in denying deduction for accumulation of income under Section 11(2) of the Income Tax Act, 1961 (in short 'the Act').

3. The assessee is a charitable trust registered under Section 12A of the Act. It conducts blood donation drives and also carries on structured programme for prevention of Thalassemia Major by creating awareness and providing facility for testing of Thalassemia disease. In the return of income filed for the year under consideration, the assessee claimed deduction for accumulation of income of Rs.87 lacs under Section 11(2) of the Act by filing Form no. 10. The Assessing Officer denied deduction for accumulation on the reasoning that the assessee has mentioned multiple purpose in Form No.10 and further, it did not respond to the notice issued by him. The Ld CIT(A) also confirmed the disallowance in an ex-parte order passed by him.

4. The Ld A.R submitted that the assessee had duly submitted that Form no. 10, seeking deduction towards accumulation of income under Section 11(2) of the Act. However, the income tax portal could accommodate maximum of 200 characters for filling up the purpose of accumulation. Hence the purpose of accumulation could not be fully described therein. Since the assessee did not file any explanation before the Assessing Officer, he has denied the deduction under Section 11(2) of the Act. The assessee also did not appear before the learned CIT(A) and hence the learned CIT(A) confirmed the disallowance made by the Assessing Officer and an *ex parte* order was passed by him.

5. The learned AR submitted that assessee is a charitable organization and was dependent upon its tax consultant for dealing with income tax matters. The notices were issued by the tax authorities in ITBA portal, which were not noticed by the tax consultant of the assessee. Hence the assessee was not aware of the notices and accordingly could not respond to the notices issued by the tax authorities. Accordingly, the learned AR pleaded that, considering the objects

carried on by the assessee, the Tribunal may be pleased to grant one more opportunity to the assessee for presenting the facts properly before the Assessing Officer.

6. We heard the learned DR and perused the record. Having regard to the submissions made by the learned AR, we are of the view that, in the interest of natural justice, the assessee may be provided with one more opportunity to present its case properly before the Assessing Officer. Accordingly, we set-aside the order passed by the learned CIT(A) and restore all the issues to the file of Assessing Officer for examining them afresh. We also direct the assessee to fully co-operate with the Assessing Officer for expeditious completion of the assessment proceedings.

7. In the result, appeal of the assessee is treated as allowed for statistical purposes.

Order pronounced in the open court on 10th May, 2024.

Sd/-
(KAVITHA RAJAGOPAL)
JUDICIAL MEMBER

Sd/-
(B.R. BASKARAN)
ACCOUNTANT MEMBER

Mumbai, Date : 10th May, 2024

SSL

Copy to :

- 1) The Applicant
- 2) The Respondent
- 3) The CIT concerned
- 4) The D.R, "E" Bench, Mumbai
- 5) Guard file

By Order

Dy./Asstt. Registrar
I.T.A.T, Mumbai