

IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCH 'A', PUNE

BEFORE SHRI INTURI RAMA RAO, JUDICIAL MEMBER
AND
SHRI VINAY BHAMORE, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA No.1396/PUN/2023

Inspired Life,
Flat No.304, Avanti Enclave,
Sinhagad Road, Pune 411030
Maharashtra

PAN : AACTI1284Q

.....अपीलार्थी / Appellant

बनाम / V/s.

CIT(Exemption),
Pune

.....प्रत्यर्थी / Respondent

Assessee by : Shri Kiran Sanmane
Revenue by : Shri Keyur Patel, CIT-DR

सुनवाई की तारीख / Date of Hearing : 10.07.2024

घोषणा की तारीख / Date of Pronouncement : 10.07.2024

आदेश / ORDER

PER INTURI RAMA RAO, AM:

This is an appeal filed by the assessee directed against the order of Id. Commissioner of Income Tax, Exemptions, Pune [the CIT, Exemptions] dated 21.10.2023 denying grant of registration u/s.12AB of the Income Tax Act, 1961 ('the Act').

2. The appellant is a charitable trust formed with the object of establishing connections with NGOs dedicated to causes such as Women Empowerment, Environmental Conservation, Human Rights and Social Welfare etc. The appellant trust submitted application in Form No.10AB dated 23.05.2023 seeking registration u/s.12AB of the Act. In order to verify the genuineness of activities carried out by the appellant trust, the Id. CIT (Exemptions) issued

notice through ITBA portal calling upon the appellant to file certain information/clarification on 07.08.2023. The appellant filed the requisite information called for. Subsequently, However, the Id. CIT(Exemptions) issued another notice dated 14.10.2023 pointing out certain discrepancies and also calling upon the appellant to clarify such discrepancies by on or before 18.10.2023. Undisputedly, the appellant trust failed to comply with said notice. In the circumstances, the Ld. CIT(Exemptions) eventually denied grant of registration u/s.12AB.

3. Being aggrieved, the appellant trust is in appeal before us assailing the impugned order denying registration u/s.12AB of the Act.

4. We heard the rival submissions and perused the material on record. On perusal of the impugned order, it would be clear that the appellant trust was asked to furnish certain information/clarification on such discrepancies noticed in the information filed earlier vide notice dated 14.10.2023 by on or before 18.10.2023 thereby giving a short period of time i.e. less than one week, which is against the Standard Operative Procedure ('SOP') issued by the CBDT dated 19.11.2020, wherein, minimum period of 15 days is required to be given to the assessee to comply with notices u/s 142(1) from the date of issue of the notice. Recently, the Hon'ble Delhi High Court in the case of *Dauphin Travel Marketing Private Limited vs. ITO in W.P.(C) 8870/2023 & CM Nos.33516-17/2023 dated 05.07.2023* taking note of this SOP held that the grant of insufficient time to respond the notice violates the principles of natural justice and, therefore, set-aside the assessment. Thus, it is clear that the

appellant trust was given unreasonably very short period of time to respond to the notice, which is against the principles of natural justice. In the light of the aforesaid facts mentioned above, we find that the approach adopted by the Id. CIT, Exemption is unreasonable and violates of the principles of natural justice. In the circumstances, we are of the considered opinion that it is a fit case to remand the matter to the file of Id. CIT, Exemption for *de novo* consideration in accordance with law.

5. In the result, the appeal of the appellant is partly allowed for statistical purposes.

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

Sd/-
VINAY BHAMORE
JUDICIAL MEMBER

Sd/-
INTURI RAMA RAO
ACCOUNTANT MEMBER

पुणे / Pune; दिनांक / Dated : 10th July, 2024

Satish

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order is forwarded to :

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The Respondent;
3. The Pr.CIT concerned
4. DR, ITAT, 'A' Bench, Pune
5. गार्ड फाईल / Guard file.

आदेशानुसार / BY ORDER,

//सत्यापित प्रति// True Copy//

वरिष्ठ निजी सचिव / Sr. Private Secretary
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune