

IN THE INCOME TAX APPELLATE TRIBUNAL
PUNE BENCH "B", PUNE

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

आयकर अपील सं. / ITA No.1248/PUN/2024

The Solapur Pyramid Spiritual Trust, Plot No.77/78, Vaishnavi Residency Road, Flat No.7, Hotgi Road, Anthrolikar Nagar-2, Solapur – 413003, Maharashtra PAN : AADTT9388F	Vs.	CIT (Exemption), Pune
Appellant		Respondent

Assessee by : None
Revenue by : Shri Ajay Kumar Keshari
Date of hearing : 23.09.2024
Date of pronouncement : 23.09.2024

आदेश / ORDER

PER INTURI RAMA RAO, AM:

This is an appeal filed by the appellant directed against the order of Id. Commissioner of Income Tax (Exemption), Pune dated 20.03.2024 denying registration u/s. 12AB(1)(ac)(iii) of the Income Tax Act, 1961 ('the Act').

2. Briefly, the facts of the case are that the appellant filed application in Form No.10AB under clause (iii) of section 12A(1)(ac) for grant of regular registration u/s.12AB of the Act on 29.09.2023. In order to verify the genuineness of activities of the appellant trust, the Id. CIT (Exemption) issued a notice dt. 30.11.2023 through ITBA portal calling upon the appellant trust to file certain information/clarification. The

appellant complied with the said notice. However, the submissions furnished by the appellant was not accessible to the Id. CIT (Exemption), therefore, he issued another notice dated 30.01.2024 to the appellant to submit the compliance in pdf format. The appellant filed the required information. The Id. CIT (Exemption) issued another notice dated 14.03.2024 pointing out certain discrepancies, fixing the compliance date by 19.03.2024. There was no compliance from the side of the appellant. In the circumstances, the Id. CIT(Exemption) drew adverse inference about the charitable nature and genuineness of the appellant, rejected the application made by the appellant cancelling the provisional registration dated 02.10.2021.

3. Being aggrieved, the appellant is in appeal before the Tribunal in the present appeal assailing the impugned order rejecting the application for grant of regular registration.

4. When the matter was called on, none appeared on behalf of the appellant despite service of due notice of hearing. We therefore proceed to dispose of the appeal ex parte after hearing the Id. Departmental Representative.

5. We heard the Id. Sr. DR and perused the relevant material on record. We find, in the present case, the appellant filed application in Form No.10AB dated 29.09.2023 seeking regular registration u/s.12A(1)(ac)(iii) of the Act. On mere perusal of the contents of para no.4 and 5 of the impugned order, it would reveal that notice was issued to the appellant through ITBA portal on 14.03.2024 requesting the appellant to file explanation to the discrepancies pointed out in the above notice, on or before 19.03.2024. Undisputedly, the time given to the appellant for compliance is less than a 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 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 of application in accordance with law.

6. In the result, the appeal filed by the appellant is partly allowed for statistical purposes.

Order pronounced on this 23rd day of September, 2024.

Sd/-
(VINAY BHAMORE)
JUDICIAL MEMBER

Sd/-
(INTURI RAMA RAO)
ACCOUNTANT MEMBER

पुणे / Pune; दिनांक / Dated : 23rd September, 2024

Satish

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

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "B" बेंच,
पुणे / DR, ITAT, "B" Bench, Pune.
4. गार्ड फ़ाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

Senior Private Secretary
आयकर अपीलीय अधिकरण, पुणे / ITAT, Pune