

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 Nos.1185 & 1208/PUN/2024

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|---|-----|--------------------------|
| Sharp Education Society,<br>292, Brahmin Ali,<br>Mayuresh Darshan Building,<br>Bhiwandi – 421 302<br>Maharashtra<br>PAN : APTS5318A | Vs. | CIT (Exemption),<br>Pune |
| Appellant   |     | Respondent               |

Assessee by : Smt. Deepa Khare (Virtual)

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:**

These two appeals filed by the appellant Trust are directed against the order of Id. Commissioner of Income Tax (Exemption), Pune both dated 28.03.2024 denying registration u/s. 12AB(1)(ac)(iii) of the Income Tax Act, 1961 ('the Act').

2. Today, when the matter was called on, it was brought to the notice of the Bench that appellant e-filed appeal twice impugning the same order, both of them got registered and numbered as ITA No.1185/PUN/2024 & 1208/PUN/2024. Therefore, the latter appeal

being ITA No.1208/PUN/2024 is treated as 'Infructuous' and dismissed as such.

**ITA No.1185/PUN/2024 :**

3. Briefly, the facts of the case are that the appellant is a trust, filed application in Form No.10AB under clause (iii) of section 12A(1)(ac) for grant of registration u/s 12AB of the Act on 23.09.2023. In order to verify the genuineness of activities of the appellant trust, the Id. CIT (Exemption) issued a notice dt. 13.11.2023 through ITBA portal calling upon the appellant trust to file certain information/clarification. However, the appellant trust did not comply with the said notice. The Id. CIT (Exemption) issued another notice dated 15.12.2023 to the appellant trust to which the appellant trust filed the requisite details. The Id. CIT (Exemption) issued another notice dated 27.02.2024 pointing out certain discrepancies, fixing the compliance date by 05.03.2024. In response, the appellant trust tendered its submissions contending that the appellant trust took nominal amount (Anamat) from the Trustee for payment of the salaries to the teachers and for meeting other nominal expenses, used the money as per the Trust deed. The submissions were not found to be acceptable to the Id. CIT(Exemption) who vide impugned order rejected the application made by the appellant trust, denied grant of regular registration cancelling the provisional registration dated 08.02.2022.

4. Being aggrieved, the appellant trust is in appeal before the Tribunal in the present appeal assailing the impugned order denying the grant of registration u/s.12AB.

5. Before us, the Id. AR submitted that the Id. CIT(Exemption) rejected the application Form filed u/s.10AB filed by the appellant trust by adopting hyper technical approach. Further, notice was given on

27.02.2024 for the compliance on or before 05.03.2024. Therefore, the appellant trust was not given sufficient opportunity to submit the details/information. In the interest of justice, it is therefore prayed for remanding the matter to the file of CIT(Exemption).

6. On the other hand, the Id. Sr. DR vehemently opposed the arguments advanced by the Id. AR. He submitted that the Id. CIT(Exemption) only on consideration of the submissions put-forth by the appellant trust had rightly rejected the application filed by the appellant trust. Therefore, no interference by this Tribunal is called for.

7. We heard the rival submissions and perused the relevant material on record. We find, in the present case, the assessee trust filed application in Form No.10AB dated 23.09.2023 seeking registration u/s.12A(1)(ac)(iii) of the Act. On mere perusal of the contents of para no.2.2 and 2.3 of the impugned order, it would reveal that notice was issued to the appellant trust through ITBA portal on 27.02.2024 requesting the appellant trust to file explanation to the discrepancies pointed out in the above notice, on or before 05.03.2024. Undisputedly, the time given to the appellant trust 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 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 of application in accordance with law.

8. In the result, the appeal ITA No.1208/PUN/2024 filed by the appellant is dismissed whereas appeal ITA No.1185/PUN/2024 filed by the appellant trust is partly allowed for statistical purposes.

Order pronounced on this 23<sup>rd</sup> day of September, 2024.

**Sd/-**  
**(VINAY BHAMORE)**  
**JUDICIAL MEMBER**

**Sd/-**  
**(INTURI RAMA RAO)**  
**ACCOUNTANT MEMBER**

पुणे / Pune; दिनांक / Dated : 23<sup>rd</sup> 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