



**IN THE INCOME TAX APPELLATE TRIBUNAL, RAJKOT BENCH, RAJKOT
BEFORE DR. ARJUN LAL SAINI, ACCOUNTANT MEMBER.**

&

SHRI DIESH MOHAN SINHA, JUDICIAL MEMBER

**आयकरअपीलसं./ITA No.265/RJT/2025
(निर्धारणवर्ष / Assessment Year: (2024-25)
(Hybrid Hearing)**

Rajkot City Cyber Security Society Police Head Quarter, Jamnagar Road, Rajkot – 360001	V s .	CIT(Exemption), Ahmedabad, Room No. 609, floor 6, Aayakar Bhavan, Nr. Sachin Tower, 100ft Road, Anandnagar – Prahaladnagar Road, Ahmedabad-380015
स्थायी लेखासं./जीआइआरसं./PAN/GIR No.: AAFTR0303J		
(Appellant)		(Respondent)

Appellant by : Shri Kaushal Dave, Ld. AR
Respondent by : ShriPraveen Verma, Ld. CIT(DR)

Date of Hearing : 23/06/2025
Date of Pronouncement : 18/08/2025

आदेश / ORDER

PER DINESH MOHAN SINHA, JM:

This appeal is filed by the Assessee as against the Rejection order dated 28.02.2025 passed by the Commissioner of Income Tax (Exemption), Ahmedabad denying Registration under section 12A(1)(ac)(iii) of the Income Tax Act, 1961 (hereinafter referred to as 'the Act').

2. Grounds of appeal raised by the assessee, are as followed:

(1) Grounds of Appeal as under are without prejudice to one another.



(2) The Rejection Order of the learned CIT (Exemption) for Registration of the Trust/Foundation u/s.12AB of the Income-tax Act, 1961 is bad in law as well as facts.

(3) The Learned CIT (Exemption) has erred in Rejection the Registration u/s.12AB of the Act without providing adequate opportunity of being heard to the Appellate and without issuing show cause notice before passing the Order.

(4) The Learned CIT (Exemption) has erred in concluding that he is not satisfied about the genuineness of the Activity of the Trust/Foundation in consonance with the objects of the trust and other laws material for the purpose of achieving objects are complied with.

(5) The order of the Learned CIT (Exemption) is illegal, unjustified and against the principles of natural justice.

(6) Without prejudice to the above your petitioner craves leave to add, amend, alter, vary or withdraw all or any of the grounds on or before the hearing of appeal.

3. Brief facts of the case that Rajkot City Cyber Security Society is a charitable trust established on 15th June 2023, duly registered under the Gujarat Public Trust Act, 1950, bearing Trust Registration Number GUJ/4264/Rajkot. The primary objective of the trust is to provide cyber security awareness, assistance, and protection services to the residents of Rajkot District, thereby promoting public safety in the digital domain as part of its charitable activities. The core objective of the trust is to promote cyber safety and awareness among the citizens of Rajkot District, by undertaking educational initiatives, conducting public seminars, collaborating with local authorities for cyber incident response, and supporting victims of cyber fraud or abuse. As per Section 2(15) of the Income-tax Act, 1961, "charitable purpose" includes relief of the poor, education, medical relief, and the advancement of any other object of general public utility. The activities of the assessee fall squarely under the last limb of this definition, i.e., "advancement of any other object of general public utility." In the present digital age, cyber threats pose significant risks to individual citizens, especially in tier-2 cities like Rajkot where awareness is limited. The assessee's role in promoting cyber security literacy, aiding victims of



cybercrime, and working towards public digital safety is not profit-motivated and is aimed at the general benefit of the society. The Trust applied for recognition as a charitable institution under Section 12AA and Section 80G of the Income-tax Act on 22nd July 2023. Pursuant to the application, the Trust was granted provisional approval under sub-clause (vi) of clause (ac) of sub-section (1) of Section 12A on 29th July 2023, and was also granted approval under clause (iv) of the first proviso to sub-section (5) of Section 80G of the Income-tax Act. As the Trust had commenced its charitable activities, it subsequently applied for final approval as required under sub-clause (iii) of clause (ac) of sub-section (1) of Section 12A of the Income-tax Act on 27th September 2024. In response to this application, the Department issued various notices dated 17th January 2025 and 4th February 2025, calling for additional documents and information from the assessee. In response to the notices issued by the Department on 17th January 2025 and 4th February 2025, it is respectfully submitted that the requisite documents and information could not be furnished within the stipulated time owing to a bona fide and unintentional lapse on the part of the Trust's administrative personnel. The Rajkot City Cyber Security Society is a newly established charitable trust with a limited administrative framework. The office bearers of the Trust, primarily comprising police and civic officials, were focused on operational functions concerning cyber safety and lacked prior exposure or training in taxation or regulatory compliances under the Income-tax Act. The Trust did not have a designated tax consultant at that time, and the internal staff were unaware of the procedural and documentary requirements for compliance under sub-clause (iii) of clause (ac) of sub-section (1) of Section 12A. Consequently, despite the issuance of notices, there was no intentional default or disregard for the directions of the Department, but rather an inadvertent delay due to lack of awareness and technical expertise. We humbly submit that the Trust now has



professional representation and is fully committed to complying with all statutory requirements. We sincerely request your Hon'ble office to condone the delay and allow us an opportunity to furnish the required documents and continue the approval process in good faith. The Trust prays that this lapse be treated as a procedural deficiency rather than a substantive failure, and the same may be viewed liberally in light of the charitable objectives being pursued in public interest.

4. That the assessee has filed an appeal to challenge the validity of order of the Ld. CIT(E) before us on 28.02.2025.

5. During the course of hearing, Ld. AR submitted that the assessee, because of non submission of document and information is due to registration limitation is newly firm trust. That the Ld. AR prayed that one more opportunity may kindly be given to the assessee to explain the case before the lower authority.

6. Ld. DR on the contrary has no objection. However, Ld. DR relied on the judgment of Ld. CIT(E).

7. We have heard both the parties and perused the material available on record. We noted that the order of Ld. CIT(E) has ex- parte order and before passing the order the Ld. CIT(E) has issued notice to the assessee, in response of the notice, the assessee neither filed any submission/detail nor sought to adjournment. The assessee has failed to file documentary evidences to enable me to satisfy about:

i. Genuineness of the activities of the trust or institution.

ii. That the activities of trust or institution are in consonance with the objects of the trust or institution.



iii. That other laws material for the purpose of achieving objects are complied with.

The orders dated 28.02.2025 passed by the CIT(Exemption), Ahmedabad, rejecting the assessee's applications under section 12A(1)(ac)(iii) of the Income- tax Act, 1961, on the ground of non-submission of documents by the assessee, we note that the assessee trust could not reply to the notice on the ground of administrative reason. Since the assessee trust do not know the online proceedings of registration of trust and also do not know the documents required by the Ld. CIT(A), and how to comply with the terms of notice, that the Ld. AR of the assessee assured to help the assessee trust in legal proceedings through website to submit the application u/s. 12(1)(ac)(iii) of the Act. We note that the application dated 28.02.2025 u/s. 12(1)(ac)(iii) of the Act has not adjudicated by the Ld. CIT(A) on merit. Therefore, we are of the view that, in the interest of justice, an opportunity should be given to the assessee to present his case before the Ld. CIT(E). We set aside the order of Ld. CIT(E) and remit the matter back to the file of Ld. CIT(E) for fresh adjudication on merit after giving due opportunity to the assessee of being heard.

8. In the result, the appeal of the assessee is allowed for statistical purposes.

Order pronounced in the open court on 18/08/2025.

Sd/-
(Dr. A.L. SAINI)
ACCOUNTANT MEMBER

Rajkot

दिनांक/ Date: 18/08/2025

Copy of the Order forwarded to

1. The Assessee
2. The Respondent
3. The CIT(A)
4. Pr. CIT

Sd/-
(DINESH MOHAN SINHA)
JUDICIAL MEMBER

(True Copy)



5. DR/AR, ITAT, Rajkot
6. Guard File

By Order

Assistant Registrar/Sr. PS/PS
ITAT, Rajkot