

**IN THE INCOME TAX APPELLATE TRIBUNAL
“A” BENCH: BANGALORE**

BEFORE SHRI PRASHANT MAHARISHI, VICE PRESIDENT
AND
SHRI SOUNDARARAJAN K., JUDICIAL MEMBER

ITA No.1068/Bang/2025
Assessment year: 2025-26

Kanva Maharishi Trust, 122A, 3 rd C Cross, Kasturi Nagar, Bangalore – 560 043. PAN: AAFTK 4334G	Vs.	The Commissioner of Income Tax (Exemptions), Bangalore.
APPELLANT		RESPONDENT

Appellant by	:	Shri Mahesh Kumar, CA
Respondent by	:	Shri Shivanand H Kalakeri, CIT(DR)(ITAT), Bengaluru.

Date of hearing	:	21.07.2025
Date of Pronouncement	:	29.07.2025

ORDER

Per Prashant Maharishi, Vice President

1. This appeal is filed by the Kanva Maharishi Trust [assessee/appellant] against the order passed by the CIT(Exemptions), [ld. CIT(E)] dated 20.11.2024 wherein the application filed by the assessee in Form 10AB dated 30.5.2024 for registration u/s. 12AB of the Income Tax Act, 1961 [the Act] was rejected and provisional registration granted is cancelled.

2. The brief facts show that assessee is a trust which was granted provisional registration by Form 10AC on 22.10.2023 as trust is established as a public charitable trust vide Trust Deed dated 27.9.2023 with the object of performing Annadan and feeding the poor directly to impart Vedas & Mantras, maintain Yagashala and Goshala. The assessee applied for registration u/s. 12AB by filing Form 10AB on 30.5.2024.
3. The Id. CIT(E) assigned the verification to the jurisdictional Assessing Officer [JAO], who held that assessee trust appears to be religious in nature. It was further found that assessee has received donation of Rs.20,000 which is spent towards administrative expenditure. The assessee has also obtained property on rent from one of the trustees vide rent agreement dated 1.8.2023 at a monthly rent of Rs.12,000 which was entered into by the landlord and one of the trustees.
4. The Id. CIT(E) after obtaining the report held that assessee has not commenced its activities as per the objects of the trust and therefore the same was rejected. Assessee is in appeal before us.
5. The Id. AR submitted that the objects of the assessee are charitable in nature and that it has the objects of advancement of Indian culture and literature as well as object of Annadan. This activity is carried out without any discrimination of any caste. It was further stated that donation of Rs.20,000 and further rent agreement itself show that assessee is using the premises taken on rent by one of the trustees as the assessee trust is in early stage. Therefore assessee has already

started its activities. It was further stated that assessee was never asked that the assessee trust has not commenced its activities. Therefore the observation made by the Id. verifying authority is not proper. It was further the claim that had the assessee been asked about the activities of the trust, explanation would have been given for verification of the genuineness of the activities, if such queries were raised and therefore the order is not proper.

6. The Id. CIT(DR) vehemently supported the order of the Id. lower authorities and submitted that the Id. CIT(E) has relied upon the report of the Id. JAO who has stated that assessee has not carried out any activities and further it is for the religious purposes. Therefore application was correctly rejected.
7. We have carefully considered the rival contentions and the order of the Id. CIT(E) rejecting the application of the assessee for registration u/s. 12AB of the act. We find that the observation of the Id. JAO who was assigned the job of verification has stated that assessee is carrying on religious activities. However looking to the objects of the trust, we do not find that assessee is formed for any religious activities. Even otherwise, religious activities are not barred for getting registration u/s. 12AB. No provision of law was shown that trusts with religious purposes is not entitled to registration u/s. 12AB. However, the claim of the assessee needs to be verified that assessee is using the property of the trustees taken on rent for the objects of the trust. Unless these

things are verified, it cannot be said that assessee has not commenced charitable activities.

8. Therefore, we restore the whole issue back to the Id. CIT(E) with a direction to the assessee to substantiate before the Id. CIT(E) that assessee has carried out charitable activities and it is for charitable purposes and are genuine and therefore registration should be granted to the assessee. The Id. CIT(E) after examination of the details and carrying out due verification, may decide the issue afresh in accordance with law, after providing an opportunity of hearing to the assessee.
9. In the result, the appeal filed by the assessee is allowed for statistical purposes.

Pronounced in open court on 29.07.2025.

Sd/-

(SOUNDARARAJAN K.)
JUDICIAL MEMBER

Sd/-

(PRASHANT MAHARISHI)
VICE PRESIDENT

Bangalore,
Dated, the 29th July 2025.

/Desai S Murthy /

Copy to:

1. Appellant
2. Respondent
3. Pr. CIT
4. CIT(A)
5. DR, ITAT, Bangalore.

By order

Assistant Registrar
ITAT, Bangalore.