

**IN THE INCOME TAX APPELLATE TRIBUNAL
'B' BENCH : BANGALORE**

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

ITA No. 213/Bang/2025
Assessment Year : NA

M/s. Muliya Gou Vihara Prathishtana, Htana situated for the time being at Indian ARCA, Court ROA, Puttur Kasaba, Puttur Tq., Dakshina Kannada – 574 201. PAN: AAETM9106F	Vs.	The Commissioner of Income Tax [Exemptions], Bangalore.
APPELLANT		RESPONDENT

Assessee by	:	Shri V. Srinivasan, Advocate
Revenue by	:	Shri Muthu Shankar, CIT-DR

Date of Hearing	:	19-11-2025
Date of Pronouncement	:	11-02-2026

ORDER

PER SOUNDARARAJAN K., JUDICIAL MEMBER

This is an appeal filed by the assessee challenging the rejection order of the Ld.CIT(E) in which the application filed for registration u/s. 12AB has been rejected and the assessee raised the following grounds:

“1. The order of the learned CIT[E] u/s.12AB[1][b] of the I.T. Act, 1961 dated 39/12/2024 refusing to grant of registration u/s 12AB of the Act, in so far as it is against the appellant, is opposed to law, equity, weight of evidence, probabilities facts and circumstances of the case.

2. The learned CIT[E] is not justified in refusing to grant of registration u/s 12AB of the Income-tax Act, 1961, on the ground that the appellant has not made substantial amount of expenditure towards the objects and that the appellant has not commenced its activities towards the attainment of the objects under the facts and in the circumstances of the appellant's case.

3. The learned CIT [Exemptions] erred in refusing to grant registration u/s. 12AB of the Act on completely slender and unsustainable grounds under the facts and in the circumstances of the appellant's case.

4. The learned CIT [Exemptions] ought to have appreciated that there was no material to conclude that the appellant has not commenced its activities towards the attainment of the objects and therefore, the impugned order passed - ejecting the registration was opposed to law under the facts and in the circumstances of the appellant's case.

5. The learned CIT[E] failed to appreciate that the impugned order refusing registration u/s 12AB was passed in excess of jurisdiction by adverting to facts :hat were alien to the consideration for grant of recognition and therefore, the mpugned order passed deserves to be vacated and the appellant be granted -egistration u/s 12AB of the Act.

6. For the above and other grounds that may be urged at the time of hearing of the appeal, your appellant humbly prays that the appeal may be allowed and Justice rendered and the appellant may be awarded costs in prosecuting the appeal and also order for the refund of the institution fees as part of the costs.”

2. The brief facts of the case are that the assessee is a trust established in the year 2017 for the development of all types of indigenous cow breeds / species. The assessee took lease of the land and maintained the cows in the said land. The assessee also cultivated the grass in the said land to feed the cows. The assessee originally applied for approval u/s. 12A of the Act and the provisional registration was granted on 04/04/2022. Similarly, the provisional registration u/s. 80G was also granted on 24/03/2023. The assessee also filed their return of income for the A.Ys. 2022-23, 2023-24 and 2024-25. Thereafter the assessee filed an application on 30/06/2025 seeking the permanent registration. Along with the said application, the

necessary financial statements and the provisional financial statements from 01/04/2024 to 30/09/2024 and the bank account statements were also filed. The Ld.CIT(E) issued a notice on 04/10/2024 and sought for the various details which was duly furnished to the Ld.CIT(E). The Ld.CIT(E) had considered the submissions made by the assessee and also considered the report given by the Range Head as well as the jurisdictional assessing officer and rejected the application by stating that the assessee had not made substantial amount of expenditure towards the objects. The Ld.CIT(E) had also come to the conclusion that the assessee had not commenced its activities towards the attainment of the objects. The Ld.CIT(E) also stated that the assessee had not proved the genuineness of the activities of the trust while rejecting the application.

3. As against the said order, the present appeal has been filed by the assessee.

4. At the time of hearing, the Ld.AR submitted that the assessee is a charitable trust established for the purpose of protecting the indigenous cow breeds / species and the activities related to the said cow breeds. The Ld.AR further submitted that the assessee is having number of cows in their leased land and the main expenses of feeding the said cows were met out mostly from the grass cultivated in the said land and therefore they have incurred less expenditure. The Ld.AR further submitted that the assessee is also having the documents to show that how many cows are maintained in the "Gou Shaala" and the Ld.CIT(E) had without calling for any such details from the assessee, had straightaway followed the report of the authorities in which they have not recommended for granting the registration and therefore submitted that the impugned order of the Ld.CIT(E) is bad in law and requires reconsideration. The Ld.AR further submitted that if an another opportunity is granted, the assessee will establish the facts before the Ld.CIT(E) and therefore prayed to remit this issue to the file of the Ld.CIT(E).

5. The Ld.DR submitted that the required details were not furnished before the authorities and therefore the Ld.CIT(E) had rightly rejected the application for registration u/s. 12AB of the Act.

6. We have heard the arguments of both sides and perused the materials available on record.

7. We have perused the impugned order of the Ld.CIT(E) in which we found that the Ld.CIT(E) had issued a notice on 04/10/2024 seeking the various details from the assessee. The assessee had also submitted all the details. Subsequently, the Ld.CIT(E) based on the report of the Range Head as well as the jurisdictional assessing officer, had arrived the conclusion that the assessee had not proved the genuineness of the trust as well as the expenditure incurred towards the object is very low. Before rejecting the application, the Ld.CIT(E) had not issued any show cause notice mentioning the deficiencies as pointed out in the impugned order.

8. We find that the Ld.CIT(E) had relied on the report of the Range Head as well as the jurisdictional AO. In the report of the authorities, they had mentioned that no details about the cows and other details were made available in order to accept the genuineness of the trust. The Ld.CIT(E) also observed that no substantial amount of expenditure were incurred towards the objects of the trust. We have perused the financial statements filed for the A.Ys. 2022-23, 2023-24 and 2024-25 from which we are able to see several expenses were incurred for maintaining the said "Gou Shaala" which is the main object of the trust. We have also considered the submission of the assessee that the certificates from the veterinary authorities would be produced to show that the details of the cows maintained in the "Gou Shaala" to establish that the assessee trust is carrying on the activity of maintaining the "Gou Shaala" to preserve the indigenous cow breeds / species. We also found that section 12AB(1)(b)(ii)(B) of the Act mandates that before rejecting the application for registration, an opportunity of being heard should be granted to the assessee. If such opportunity has been granted, the assessee might have furnished the details before the Ld.CIT(E).

Therefore, the order of the Ld.CIT(E) without considering the various documents furnished by the assessee as well as without granting an opportunity of being heard is not in accordance with the provisions of the Act. We, therefore set aside the order of the Ld.CIT(E) and remit this issue to the file of the Ld.CIT(E) for denovo consideration. It is also open to the assessee to furnish the certificate from the veterinary officials and other documents before the Ld.CIT(E) and in such event, the Ld.CIT(E) may also consider the said documents and thereafter grant the registration in accordance with law.

9. In the result, the appeal filed by the assessee is allowed for statistical purposes.

Order pronounced in the open court on 11th February, 2026.

Sd/-
(PRASHANT MAHARISHI)
Vice – President

Sd/-
(SOUNDARARAJAN K.)
Judicial Member

Bangalore,
Dated, the 11th February, 2026.
/MS /

Copy to:

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|---------------|------------------------|
| 1. Appellant | 2. Respondent |
| 3. CIT | 4. DR, ITAT, Bangalore |
| 5. Guard file | 6. CIT(A) |

By order

Assistant Registrar,
ITAT, Bangalore