आयकर अपीलीय अधिकरण,चण्डीगढ़ न्यायपीठ, चण्डीगढ़
IN THE INCOME TAX APPELLATE TRIBUNAL
DIVISION BENCH, 'B' CHANDIGARH

BEFORE SHRI LALIET KUMAR, JUDICIAL MEMBER AND
SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER

आयकर अपील सं./ ITA Nos. 1462 & 1463/CHD/2025
निर्धारण वर्ष / Assessment Year: 2026-27

World Sankirtan Tour Trust, VPO – Khambi, Tehsil-Hodal, Distt. Palwal, Palwal.	Vs	The CIT (Exemptions), Chandigarh.	
स्थायी लेखा सं./PAN NO: AAATW2203R			
अपीलार्थी/Appellant			प्रत्यर्थी/Respondent

Assessee by : Shri Sandeip K. Nagar, Advocate
Revenue by : Smt. Kusum Bansal. Pr. CIT, DR

Date of Hearing : 15.07.2026
Date of Pronouncement : 22.07.2026

VIRTUAL HEARING

O R D E R

PER BENCH

These two appeals have been preferred by the assessee against separate orders passed by the learned Commissioner of Income Tax (Exemptions), Chandigarh, one under section 12AB of the Income-tax Act, 1961 and the other under section 80G of the Act. Since common facts and interconnected questions arise for consideration, both the appeals were heard together and are disposed of by this consolidated order.

BRIEF FACTS

2. The assessee-trust was constituted on 26.05.2010 with the principal objects of protection and preservation of stray cattle, cows and their progeny, establishment and maintenance of gaushalas, providing shelter, food and veterinary care to abandoned, old and infirm cows, besides organizing programmes for inculcating personal, social and national values amongst the public.

3. The assessee was granted provisional registration under section 12AB of the Income-tax Act on 28.05.2021. Thereafter, it filed applications seeking regular registration under section 12AB and approval under section 80G of the Act. Upon examination of the material placed on record, the learned Commissioner of Income Tax (Exemptions) accepted the genuineness of the objects and activities of the assessee and granted registration under section 12AB. However, instead of recognising the assessee as a charitable institution, the registration was granted by categorising it as a "Religious Entity". Consequently, while considering the application under section 80G, the learned CIT(E), particularly in paragraphs 3.2 and 3.3 of the impugned order, observed that the assessee was engaged in religious discourses on the Bhagavad Gita and their broadcasting and telecasting and, therefore, held that the

activities were religious in nature. Relying upon Explanation 3 to section 80G(5) and the decision of the Hon'ble Supreme Court in *Upper Ganges Sugar Mills Ltd.*, the learned CIT(E) rejected the application for approval under section 80G. Aggrieved by the aforesaid orders, the assessee is in appeal before the Tribunal.

4. The learned Authorised Representative assailed the impugned orders and submitted that the learned CIT(E) has proceeded on an erroneous appreciation of both the facts and the law. It was contended that the assessee is essentially a charitable trust established for protection and preservation of stray cattle, maintenance of gaushalas, providing veterinary healthcare and shelter to abandoned and infirm cows, besides undertaking programmes aimed at inculcating personal, social and national values amongst the public. These constitute the predominant objects and activities of the trust, none of which have been doubted by the learned CIT(E). In fact, the grant of registration under section 12AB itself is founded upon the satisfaction recorded by the learned CIT(E) regarding the genuineness of the objects and activities of the assessee.

5. The learned AR submitted that the sole basis for categorising the assessee as a religious entity is the existence of an incidental clause in the trust deed relating to renovation and maintenance of temples and the observation that the assessee

disseminates the teachings of the Bhagavad Gita through discourses and electronic media. It was submitted that the learned CIT(E) failed to appreciate that the aforesaid object has never been acted upon. During the course of the proceedings, the assessee had filed a detailed reply along with an undertaking dated 26.08.2025, executed by the President of the Trust, categorically stating that since its inception the trust had never undertaken any activity relating to renovation or maintenance of temples or other religious places and further undertook that no such activity would be carried out in future. This undertaking, according to the learned AR, completely dispelled the apprehension entertained by the learned CIT(E), leaving no justification for classifying the assessee as a religious institution.

6. With regard to the rejection of approval under section 80G, the learned AR submitted that the learned CIT(E) has fundamentally erred in assuming that dissemination of the teachings of the Bhagavad Gita necessarily amounts to propagation of religion. It was argued that the Bhagavad Gita is universally recognised not merely as a religious scripture but as one of the greatest philosophical, ethical and motivational treatises available to mankind. Its eighteen chapters expound the principles of **Karma Yoga, Jnana Yoga, Dhyana Yoga, Sannyasa, renunciation of attachment, selfless action, self-**

discipline, equanimity, righteousness, leadership, moral responsibility and ultimate self-realisation, none of which prescribe any exclusive ritual, ceremony or form of worship. According to the learned AR, the teachings of the Bhagavad Gita transcend religious boundaries and are intended to inculcate universal human values such as honesty, integrity, compassion, self-restraint, devotion to duty and inner peace, which are equally relevant in education, governance, administration, management and everyday life.

7. The learned AR further submitted that there exists a well-recognised distinction between **religion, religious denomination, spiritual philosophy and ethical instruction**. Merely because the Bhagavad Gita is predominantly revered by Hindus does not render every discourse based upon its teachings a religious activity. It was contended that the Hon'ble Supreme Court has, in a catena of decisions, recognised Hinduism as a way of life rather than a religion in the narrow doctrinal sense. Therefore, dissemination of the universal philosophical and ethical teachings contained in the Bhagavad Gita cannot be equated with propagation or advancement of any particular religion or religious denomination. It was further pointed out that the Bhagavad Gita has been studied, translated and relied upon by philosophers, jurists, academicians, management

experts and leaders across the world for its timeless principles relating to ethics, governance, leadership and human conduct.

8. The learned AR also submitted that the learned CIT(E) has completely overlooked the constitutional and statutory framework governing the issue. It was argued that the principal activities of the assessee, namely protection and preservation of cows and maintenance of gaushalas, are in consonance with the constitutional directives contained in **Article 48**, **Article 51A(f)** and **Article 51A(g)** of the Constitution of India, which respectively recognise the importance of preserving cattle, valuing and preserving the rich heritage of India's composite culture, and showing compassion towards living creatures. It was contended that dissemination of the philosophical teachings of the Bhagavad Gita, being an invaluable part of India's cultural and philosophical heritage, promotes moral education, ethical values and social harmony and therefore advances an object of general public utility rather than propagation of religion.

9. Without prejudice to the aforesaid submissions, the learned AR argued that even assuming, though not admitting, that any part of the activities of the assessee could be regarded as religious in nature, the learned CIT(E) failed to consider the effect of Section 80G(5B) of the Act, inserted with effect from 01.04.2000. It was submitted that the said provision creates a

statutory exception by providing that an institution shall not be denied approval merely because it incurs expenditure of a religious nature, so long as such expenditure does not exceed the prescribed limit. The learned AR pointed out that the expenditure incurred by the assessee on the alleged religious activities is less than five per cent of its total receipts, a fact which has not been disputed by the Revenue. Consequently, even on the Revenue's own premise, the assessee satisfies the statutory requirements for grant of approval under section 80G. The learned AR, therefore, submitted that the learned CIT(E) has erred both in law and on facts in treating the assessee as a religious entity and in rejecting its application under section 80G. It was accordingly prayed that the registration granted under section 12AB be modified by recognising the assessee as a charitable institution and that consequential approval under section 80G be directed to be granted.

10. Per contra, the learned Departmental Representative strongly supported the impugned orders passed by the learned Commissioner of Income Tax (Exemptions) and submitted that the learned CIT(E), after conducting a detailed examination of the objects and activities of the assessee, had rightly concluded that the assessee was substantially engaged in activities of a religious nature. Inviting our attention to paragraphs 3.2 and 3.3 of the impugned order passed under section 80G, the learned

DR submitted that the learned CIT(E), upon examination of the financial statements, income and expenditure account, ledger accounts and other documents furnished by the assessee, recorded a categorical finding that the assessee was conducting discourses on the Bhagavad Gita and was also engaged in broadcasting and telecasting such discourses. According to the learned DR, these findings were based upon the material produced by the assessee itself and clearly established that the activities undertaken by the assessee were religious in character.

11. The learned DR further submitted that, having arrived at the aforesaid factual conclusion, the learned CIT(E) rightly invoked Explanation 3 to section 80G(5) of the Act and held that an institution engaged wholly or substantially in religious activities is not entitled to approval under section 80G. It was contended that the learned CIT(E) had correctly appreciated both the factual matrix and the legal position and, therefore, the impugned order did not call for any interference.

12. The learned DR also placed reliance upon the judgment of the Hon'ble Supreme Court in Upper Ganges Sugar Mills Ltd. v. CIT, contending that where the objects or activities of an institution are wholly or substantially religious in nature, the institution falls outside the ambit of section 80G. According to

the learned DR, since the assessee was admittedly engaged in dissemination of the Bhagavad Gita through discourses and electronic media, the learned CIT(E) was justified in treating such activities as religious in nature and consequently rejecting the application for approval under section 80G. It was, therefore, prayed that both the impugned orders be upheld and the appeals filed by the assessee be dismissed.

13. We have heard the rival submissions, carefully perused the orders of the authorities below and examined the material placed on record. The controversy involved in the present appeal lies within a narrow compass. The learned CIT(Exemptions) has not doubted either the genuineness of the assessee or the genuineness of its activities. Rather, upon being satisfied about the objects and activities of the trust, the learned CIT(E) has granted registration under section 12AB. The only dispute is with regard to the character assigned to the assessee, namely, that instead of recognizing it as a charitable institution, the learned CIT(E) has categorized it as a "Religious Entity". From the trust deed as well as the material placed before us, it emerges that the predominant objects of the assessee are protection and preservation of stray cattle, maintenance of gaushalas, providing shelter, food and veterinary treatment to old and abandoned cows and organising programmes for inculcation of moral, social and national values amongst the

public. Significantly, none of these activities has been disputed by the learned CIT(E), nor has any adverse finding been recorded regarding their genuineness or charitable character.

14. The categorisation of the assessee as a religious entity rests substantially upon one clause contained in the trust deed relating to the maintenance or renovation of temples. However, the assessee, during the course of proceedings before the learned CIT(E), furnished a categorical undertaking dated 26.08.2025, executed by the President of the Trust, affirming that since its inception, no activity relating to renovation or maintenance of temples or religious places had ever been undertaken and further undertaking that no such activity would be carried out in future. The Revenue has not brought any material on record to rebut this categorical assertion.

15. It is a settled principle that the true character of a trust is to be determined from its dominant objects coupled with its actual activities, and not by reference to an isolated clause in the trust deed which has admittedly remained dormant throughout its existence. Once the Revenue itself accepts that the assessee is genuinely carrying on charitable activities, an unimplemented ancillary object cannot be elevated to determine the legal character of the institution. The constitutional philosophy also supports this conclusion. Article 48 of the

Constitution directs the State to preserve and improve the breeds of cows and cattle, while Article 51A(g) casts a Fundamental Duty upon every citizen to have compassion for living creatures. The principal activities of the assessee, namely maintenance of gaushalas, rehabilitation of abandoned cattle and provision of veterinary care, directly advance these constitutional objectives. Merely because cow protection may also be revered by certain religious traditions does not convert every institution engaged in such activities into a religious institution. The Constitution itself recognises such activities as matters of public welfare and animal welfare.

16. In view of the foregoing discussion, we are of the considered opinion that the learned CIT(E) was not justified in classifying the assessee as a Religious Entity. The assessee satisfies all the requirements of a charitable institution under section 12AB of the Act. Accordingly, the impugned order is modified, and the learned CIT(Exemptions) is directed to issue a fresh registration certificate by recognising the assessee as a Charitable Institution under section 12AB.

17. Having held that the assessee is entitled to be recognised as a charitable institution under section 12AB, we now proceed to examine whether the rejection of approval under section 80G can be sustained.

18. The learned CIT(E) has rejected the application principally on the ground that the assessee conducts discourses on the Bhagavad Gita and broadcasts or telecasts such discourses, and therefore its activities are religious in nature within the meaning of Explanation 3 to section 80G(5). In our considered opinion, the approach adopted by the learned CIT(E) suffers from both factual and legal infirmities. The Bhagavad Gita is universally acknowledged as one of the greatest philosophical treatises on ethics, duty, governance and human conduct. Its eighteen chapters expound the principles of Karma Yoga, Jnana Yoga, Dhyana Yoga, Sannyasa, self-discipline, renunciation of attachment, equanimity, devotion through righteous conduct and self-realisation. The central theme of the Gita is not ritualistic worship but ethical living, selfless action and moral responsibility. Even the Geeta was source of inspiration during the freedom struggle and Lokpal Bal Gangadhar Tilak, Mahatma Gandhi, Acharya Binova Bhave have written various books on Geeta and referred to Geeta as guiding force for the Freedom Movement. This philosophy is succinctly reflected in the celebrated verse:

"कर्मण्येवाधिकारस्ते मा फलेषु कदाचन" (Bhagavad Gita 2.47) which teaches that one's right lies in the discharge of duty and not in attachment to its fruits. Likewise, "तस्मादसक्तः सततं कार्यं कर्म समाचर" (Bhagavad Gita 3.19) emphasizes selfless performance of one's obligations.

19. The philosophy of Sannyasa, as explained in the Bhagavad Gita, has also been misunderstood by the learned CIT(E). The Gita does not advocate abandoning work; rather, it advocates abandoning attachment and possessiveness. There is a fundamental distinction between creating wealth and selfishly accumulating wealth. The Gita discourages greed and attachment, but never discourages enterprise, productive work, or the creation of assets. It exhorts mankind to acquire knowledge, self-restraint, inner peace, compassion, and moral excellence rather than merely accumulate material possessions. As declared in Chapter IV: "न हि ज्ञानेन सदृशं पवित्रमिह विद्यते" (Bhagavad Gita 4.38) "there is nothing more purifying than knowledge".

20. Equally important is the doctrine of **Lokasangraha**, reflected in Chapter III, which exhorts every individual to perform his duties for the welfare and stability of society rather than for personal agenda. These teachings are universal ethical principles applicable irrespective of religion, caste or nationality. They are extensively studied worldwide in the fields

of philosophy, leadership, management, psychology, and public administration. Dissemination of such universally accepted ethical philosophy cannot, by itself, be equated with the propagation of religion or the advancement of any particular religious denomination.

21. The constitutional scheme also reinforces this conclusion. Article 51A(f) imposes a Fundamental Duty on every citizen to value and preserve India's rich heritage of composite culture. The Bhagavad Gita undoubtedly forms an invaluable part of India's civilizational, philosophical and literary heritage. The dissemination of its teachings, with a view to inculcating honesty, discipline, compassion, selfless service, and ethical conduct, advances the constitutional objective of preserving our composite culture. Read together with Article 48 and Article 51A(g), which emphasize preservation of cattle and compassion for living creatures, the activities undertaken by the assessee clearly advance constitutional values and objects of general public utility.

22. There is yet another aspect which completely demolishes the reasoning adopted by the learned CIT(E). The impugned order proceeds entirely on Explanation 3 to section 80G(5) but fails to consider the statutory effect of Section 80G(5B), inserted by the Finance Act, 1999 with effect from 01.04.2000. Section

80G(5B), introduced through a non obstante clause, creates a statutory exception by providing that an institution shall not be denied approval merely because it incurs expenditure of a religious nature, provided such expenditure does not exceed five per cent of its total income during the relevant previous year. The provision thus qualifies and limits the rigour of Section 80G(5) in cases where religious expenditure is merely incidental.

23. In the present case, the Revenue has not recorded any finding that the expenditure allegedly incurred on religious activities exceeds the statutory threshold prescribed under section 80G(5B). On the contrary, it has been specifically demonstrated before us that the expenditure on the alleged religious activities is less than five per cent of the total receipts of the assessee, and this factual assertion has remained uncontroverted. Therefore, even assuming, solely for the sake of argument, that dissemination of the Bhagavad Gita constitutes a religious activity—which, in our considered opinion, it does not—the assessee would still be entitled to approval under section 80G by virtue of the express statutory protection contained in section 80G(5B). The impugned order, therefore, suffers from three independent legal infirmities. Firstly, it erroneously equates dissemination of universal philosophical teachings with propagation of religion. Secondly, it overlooks the predominant charitable character of the assessee's objects and

activities, which have already been accepted while granting registration under section 12AB. Thirdly, it completely ignores the statutory protection provided under section 80G(5B), notwithstanding that the alleged religious expenditure is well below the ceiling prescribed by Parliament.

24. For all the aforesaid reasons, we hold that the learned CIT(E) was not justified in rejecting the assessee's application under section 80G. The impugned order is accordingly set aside, and the learned CIT(Exemptions) is directed to grant approval to the assessee under section 80G of the Income-tax Act.

25. In the result, both the appeals filed by the assessee are allowed.

Announced in Open Court on 22.07.2026.

Sd/-	Sd/-
(MANOJ KUMAR AGGARWAL)	**(LALIET KUMAR)**
ACCOUNTANT MEMBER	**JUDICIAL MEMBER**

"Poonam"

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

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्ड फाईल/ Guard File

सहायक पंजीकार/ Assistant Registrar