



**IN THE INCOME TAX APPELLATE TRIBUNAL,  
RANCHI BENCH, RANCHI**

**BEFORES/SHRI GEORGE MATHAN, JUDICIAL MEMBER  
AND RATNESH NANDAN SAHAY, ACCOUNTANT MEMBER**

**ITA No.278/RAN/2019**  
Assessment Year: 2016-17

ACIT, Exemption Circle, Ranchi	Vs.	M/s. SitwantoDedvi Mahila Kalyan Sansthan, Suraj Path, BaridihBastikBaridih, Jamshedpur.
PAN/GIR No.AAETS 7041 P		
<b>(Appellant)</b>	..	<b>( Respondent)</b>

Assessee by : Shri Sharwan Kumar Jha, Adv  
Revenue by : Smt. Rinku Singh, CIT DR

**Date of Hearing : 09/06/2025**  
**Date of Pronouncement : 09/06/2025**

**ORDER**

**Per Bench**

This is an appeal filed by the revenue against the order of the Id CIT(A). Jamshedpur dated 18.9.2019 in Appeal No.CIT(A),Jamshedpur/10041/2019-20 for the assessment year 2016-17.

2. Smt. Rinku Singh, Ld CIT DR appeared for the revenue and Shri Shravan Jha, Id AR appeared for the assessee.

3. It was submitted by Id CIT DR that the assessee is a trust which is running number of educational institutions. It was the submission that in the course of assessment, the Assessing Officer had called for the details of the various expenses, which have been claimed by the assessee as "application of income". The Id CIT DR specifically drew our attention to the advertisement expenses to an extent of Rs.2,08,90,578/-. It was the submission that the assessee had on the last minute before the completion of assessment, provided a list of various advertisement expenditures incurred, the details of the same were not provided. It was the submission that a perusal of the limited details provided by the assessee have also been examined by the Assessing Officer, it is found that many of the expenses did not relate to the institutions to which, the bills have been raised. It was the submission that similarly, the salary expenses have also been paid in cash. It was the submission that the Assessing Officer had consequently denied the assessee the exemption and had assessed the income of the assessee as "business income" and status of the assessee as "AOP". It was the further submission that it was also categorically found by the Assessing Officer that TDS had not been made in regard to the advertisement expenses. It was the submission that the Id CIT(A) had deleted the disallowance by holding that the expenditures incurred by the assessee were genuine and the Assessing Officer had made the disallowance only in haphazard method. It was the submission that the disallowance as made by the Assessing Officer and deleted by the Id CIT(A) is liable to be reversed.

4. In reply, Id AR drew our attention to page 33 of the assessment order. It was the submission that in the computation of taxable income, the AO had not made any disallowance in respect of the various expenses, which have been examined by the AO. It was the submission that the AO has only disallowed the salary expenses. It was the submission that the Assessing Officer having disallowed only salary expenditures and having specifically allowed the revenue expenses as claimed by the assessee, the appeal of the revenue is liable to be dismissed.

5. We have considered the rival submissions. A perusal of the assessment order at page 33 of the order shows that the AO has taken the total income of the assessee and has disallowed only salary expenses. The Assessing Officer has in the computation of income specifically allowed the revenue expenses of Rs.12,64,11,359/-. This clearly shows that even though the AO had discussed various expenses that he had proposed to disallow, no specific disallowance has been paid in cash. A perusal of the order of the Id CIT(A) clearly shows that the Id CIT(A) has examined the expenses and has also considered the submission and that of the assessee and that of the Assessing Officer. Id CIT(A) has categorically given a finding that the expenses in respect of salary has been paid to the lower level employees. The requirement of not paying the salary in cash has come into effect w.e.f. 1.4.2017. A perusal of the facts in the present case clearly shows that the assessment year involved is AY 2016-17. This being so, as the revenue has not been able to dislodge the findings as arrived at by the Id

CIT(A) and also on account of the fact that the Assessing Officer himself has not made specific disallowance in the computation of total income in respect of the very expenditure, which he has discussed in the assessment order, the appeal of the revenue stands dismissed.

6.. In the result, appeal of the revenue is dismissed.

Order dictated and pronounced in the open court on 9/06/2025.

Sd/-  
**(RATNESH NANDAN SAHAY)**  
**ACCOUNTANT MEMBER**

Sd/-  
**(GEORGE MATHAN)**  
**JUDICIAL MEMBER**

Ranchi; Dated 09/06/2025  
B.K.Parida, SPS (OS)

**Copy of the Order forwarded to :**

1. The Appellant : ACIT, Exemption Circle,  
Ranchi
2. The Respondent: M/s. SitwantoDedvi Mahila  
Kalyan Sansthan, Suraj Path,  
Baridih Bastik Baridih, Jamshedpur
3. The CIT(A)-Jamshedpur
4. Pr.CIT, Jamshedpur
5. DR, ITAT, Ranchi
6. Guard file.  
//True Copy//

**By order**

Sr.Pvt.secretary  
**ITAT, Ranchi**