

New Era Social Development Welfare Society v. DC/AC (Exemption)

ITA 534/PAT/2025

ITAT / Patna | Order: 27 Aug 2026 | AY 2020-21

01 FACTS OF THE CASE

The educational society's salary and rent payments to specified persons were questioned under section 13. AO treated 50% as excessive; CIT(A) gave further partial relief. The remaining dispute reached ITAT.

02 DISCUSSION BY THE HON'BLE TRIBUNAL

Paragraphs 8-9 uphold CIT(A)'s order. The Tribunal examines individual salary increases, including 38.80% for two persons, and the adequacy of justification for the payments. The existing appellate relief remains; the order does not lay down an automatic disallowance percentage for all related-person payments.

03 JUDICIAL DECISION

Appeal dismissed - CIT(A) order upheld

04 OUTCOME - IN FAVOUR OF

Revenue on the taxpayer's remaining appeal - CIT(A) order upheld; earlier partial appellate relief remains.

05 AKHB REVIEW POINT

Document actual services, responsibilities, qualifications and independent remuneration/rent benchmarks. Support building use and related-party disclosures with contemporaneous records; banking-channel payment alone does not prove reasonableness.

SOURCE & VERIFICATION

User-supplied tribunal order; paragraphs 2-4 & 8-9 reviewed. Subsequent proceedings and independent official-portal authentication not verified.

[Read the complete original order \(PDF\)](#)

AI DISCLOSURE

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