

**INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH "F": NEW DELHI**

**BEFORE SHRI AMIT SHUKLA, JUDICIAL MEMBER
AND
SHRI PRASHANT MAHARISHI, ACCOUNTANT MEMBER**

ITA No.5743/Del/2016
Asstt. Year: 2010-11

DCIT(E) Circle 19(2), New Delhi.	Vs.	M/s. Paliwal Infrastructure Pvt. Ltd. B-14, Greater Kailash-1, New Delhi 110 048 PAN AABCR7764E
(Appellant)		(Respondent)

Department by:	Shri Surender Pal, Sr. DR
Assessee by :	None
Date of Hearing	29/07/2019
Date of pronouncement	29/07/2019

ORDER

PER AMIT SHUKLA, J.M

The aforesaid appeal has been filed by the revenue against impugned order dated 16.8.2016, passed by Ld. CIT (Appeals) 36 New Delhi for the assessment year 2010-11. Grounds raised by the revenue reads as under:-

“In the facts and under the circumstances of the case, Ld. CIT(A) has erred in deleting the addition of Rs. 4,28,65,241/- made by the AO to the book profit u/s 115JB on account of expenditure relatable to income exempt u/s 10 of the Act in

view of the provision of section 14A read with clause (f) of explanation 1 to section 115JB.”

2. The facts in brief are that the qua the issue involved are that, assessee had invested amount of Rs. 49,53,49,937/- in shares, securities and investment in a partnership firm from where assessee has derived exempt income, that is, it does not form part of the total taxable income. AO has made disallowance u/s 14A while computing the book profit u/s 115JB, because the assessment has been on tax computed on book profit u/s 115JB, because the same was higher than the normal provision. Ld. CIT (A) following the ITAT order for the assessment year 2007-08 and 2008-09 has deleted the said disallowance.

3. We find that the issue of any disallowance u/s 14A can be made while computing the book profit u/s 115JB now stands covered by the Tribunal of Hon'ble Special Bench in the case of **ACIT vs. Vireet Investment Pvt. Ltd. in ITA No. 502/Del/2012.**

4. In the result appeal of the revenue is dismissed.

Order Pronounced in the open court on 29th July, 2019.

sd/-

sd/-

(PRASHANT MAHARISHI)
ACCOUNTANT MEMBER

(AMIT SHUKLA)
JUDICIAL MEMBER

Dated: 29/07/2019

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1. Applicant
2. Respondent

3. CIT
4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR
ITAT, New Delhi