

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH 'A', NEW DELHI**

**BEFORE SH. AAKASH DEEP JAIN, VICE PRESIDENT
AND
SH. N. K. BILLAIYA, ACCOUNTANT MEMBER
(THROUGH VIDEO CONFERENCING)**

ITA No.2400/Del/2018
Assessment Year: 2014-15

ATMA RAM Properties Pvt. Ltd. Office No.8, 1st Floor, Atma Ram Mansion, Scindia House, K. G. Marg, Connaught Place circus, New Delhi-110001 PAN No.AAACA3232F	Vs	DCIT Circle – 3 (2) New Delhi
(APPELLANT)		(RESPONDENT)

Appellant by	Shri Hemant Ratra, Advocate
Respondent by	Shri Sanjay Kumar, Sr. DR

Date of hearing:	09/12/2021
Date of Pronouncement:	09/12/2021

ORDER

PER N.K. BILLAIYA AM:

This appeal by the assessee is preferred against the order of the CIT(A)-1, New Delhi dated 01.02.2018 pertaining to A.Y. 2014-15.

2. The solitary grievance of the assessee is that the CIT(A) erred in confirming the action of the AO in making addition of Rs.2431909/- on account of disallowance u/s.14A r.w.r 8D of the Act though the same should have been restricted to total exempt income earned by the assessee.

3. Briefly stated the facts of the case are that during the year under consideration the assessee has earned dividend income of Rs.1791459/- on share investment. Invoking the provisions of section 14A r.w.r. 8D the AO made the disallowance of Rs.2431909/-.

4. Assessee carried the matter before the CIT(A) but without any success.

5. Before us the counsel stated that the disallowance u/s.14A should not exceed the exempt income.

6. We are of the considered view that this issue has now been well settled in favour of the assessee by the decision of the Hon'ble Delhi High Court in the case of Caraf Builders and Constructions Pvt. Ltd. 414 ITR 122.

7. Respectfully following the decision of the Hon'ble Jurisdictional High Court (supra). We direct the AO to restrict the disallowance to the extent of the exempt income of

Rs.1791459/-. The appeal filed by the assessee is accordingly dismissed.

6. Decision announced in the open court in the presence of both the representatives on 09.12.2021.

Sd/-
(A.D. JAIN)
VICE PRESIDENT

NEHA

Date:- 09.12.2021

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-
(N. K. BILLAIYA)
ACCOUNTANT MEMBER

ASSISTANT REGISTRAR
ITAT NEW DELHI

Date of dictation	
Date on which the typed draft is placed before the dictating Member	
Date on which the typed draft is placed before the Other member	
Date on which the approved draft comes to the Sr.PS/PS	
Date on which the fair order is placed before the Dictating Member for Pronouncement	
Date on which the fair order comes back to the Sr. PS/ PS	
Date on which the final order is uploaded on the website of ITAT	09.12.2021
Date on which the file goes to the Bench Clerk	
Date on which file goes to the Head Clerk.	
The date on which file goes to the Assistant Registrar for signature on the order	
Date of dispatch of the Order	

