

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

Before Sh. Saktijit Dey, Judicial Member

Dr. B. R. R. Kumar, Accountant Member

ITA No. 1231/Del/2017 : Asstt. Year : 2012-13

M/s Jaypee Development Corporation Ltd., Sector-128, Noida-201304	Vs	DCIT, Circle-13(2), New Delhi
(APPELLANT)		(RESPONDENT)
PAN No. AABCJ9515H		

Assessee by : Sh. Praveen Kumra, CA

Revenue by : Ms. Garima Sharma, Sr. DR

Date of Hearing: 05.07.2022

Date of Pronouncement: 07.09.2022

ORDER

Per Dr. B. R. R. Kumar, Accountant Member:

The present appeal has been filed by the assessee against the order of Id. CIT(A)-5, New Delhi, dated 02.12.2016.

2. The assessee received dividend income of Rs.1,15,20,605/-. The average investments were to the tune of Rs.276,82,24,700/-. The AO disallowed an amount of Rs.1,38,41,124/- under Rule 8D(2)(iii) being 0.5% of the average value of the investments.

3. Having gone through the facts of the case and relying on the judgment of Hon'ble jurisdictional High Court in the case of M/s ACB India Vs. ACIT, where Hon'ble High Court held that the disallowance u/s 14A cannot be more than 0.5% on the average of the investments made on which the assessee received the dividend income, we direct that the disallowance be

re-computed taking into consideration, the "investments yielding the exempt income".

TDS Credit:

4. The Revenue contended that the amount of Rs.12,45,00,000/- has not been booked as income. The Id. CIT(A) has directed the AO to verify the fact of booking of these amounts during the year against the bills raised. We do not find any infirmity in the order of the Id. CIT(A), affirm the decision and hereby direct the AO to verify the fact of booking of this expenditure against the bills raised. The appeal of the assessee on this ground is allowed for statistical purpose.

5. In the result, the appeal of the assessee is allowed for statistical purpose.

Order Pronounced in the Open Court on 07/09/2022.

Sd/-

(Saktijit Dey)
Judicial Member

Sd/-

(Dr. B. R. R. Kumar)
Accountant Member

Dated: 07/09/2022

Subodh Kumar, Sr. PS

Copy forwarded to:

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

ASSISTANT REGISTRAR