

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

**BEFORE SH. N. K. BILLAIYA, ACCOUNTANT MEMBER  
AND  
MS. ASTHA CHANDRA, JUDICIAL MEMBER**

ITA No.1840/Del/2023  
Assessment Year: 2009-10

<b>Paliwal Infrastructure Ltd. B-14, Greater Kailash Part-I, South Delhi, New Delhi-110048 PAN No.AABCR7764E</b>	<b>Vs.</b>	<b>ACIT Circle – 19 (1) New Delhi</b>
<b>(APPELLANT)</b>		<b>(RESPONDENT)</b>

Appellant by	Sh. Rakesh Gupta, Advocate Sh. Somil Aggarwal, Advocate
Respondent by	Sh. Vivek Vardhan, Sr. DR

Date of hearing:	04/12/2023
Date of Pronouncement:	04/12/2023

**ORDER**

**PER N. K. BILLAIYA, AM:**

This appeal by the assessee is preferred against the order dated 19.05.2023 by NFAC, Delhi pertaining to A.Y. 2009-10.

2. The sum and substance of the grievance of the assessee is that the CIT(A) erred in confirming the disallowance made by the AO u/s.14A r.w.r. 8D of the Act.

3. At the very outset the Counsel for the assessee brought to our notice the exempt income u/s.10(34) of the Act being dividend on shares amounting to Rs.4234/-. It is the say of the

Counsel that any disallowance u/s.14A should not exceed exempt income as held by Hon'ble High Court of Delhi in the case of Caraf Builders and Constructions 414 ITR 122.

4. The DR could not bring any distinguishing decision in favour of the revenue.

5. We have carefully perused the orders of the authorities below. The undisputed fact is that the dividend income claimed to be exempt is Rs.4234/-, therefore, the ratio laid down by the Hon'ble High Court of Delhi (supra) fairly apply on the facts of the case. We accordingly direct the AO to restrict the disallowance to Rs.4234/- only. The appeal filed by the assessee is partly allowed.

6. Decision announced in the open court on 04.12.2023.

**Sd/-**  
**(ASTHA CHANDRA)**  
**JUDICIAL MEMBER**

\*NEHA\*

Date:- .12.2023

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