

**IN THE INCOME TAX APPELLATE TRIBUNAL
DEHRADUN “SMC” BENCH: DEHRADUN**

**BEFORE SHRI MAHAVIR SINGH, VICE PRESIDENT &
SHRI MANISH AGARWAL, ACCOUNTANT MEMBER**

**ITA No.26/DDN/2026
[Assessment Year : 2022-23]**

Soban Singh, Anand Nagar, Balawala Dehradun, Uttarakhand PAN-DJFPS8212B	vs	DCIT Circle-1(1)(1) Dehradun Uttarakhand
APPELLANT		RESPONDENT
Appellant by	Shri Abhinav Vijh, CA	
Respondent by	Ms. Poonam Sharma, CIT DR	
Date of Hearing	10.03.2026	
Date of Pronouncement	12.03.2026	

ORDER

PER MANISH AGARWAL, AM :

The present appeal is filed by assessee against the order dated 03.12.2025 by Ld. Commissioner of Income Tax (A), NFAC, Delhi [“Ld.CIT(A)”] in Appeal No.NFAC/2021-22/10363960 passed u/s 250 of the Income Tax Act, 1961 [“the Act”] arising out of assessment order dated 25.03.2024 passed u/s 143(3) r.w.s. 144B of the Act pertaining to Assessment Year 2022-23.

2. Heard the contentions of both the parties at length and perused the material available on record. From the perusal of the table reproduced at page 12 of Ld. CIT(A)’s order containing the party-wise details of rent paid during the previous year, it is observed that assessee had paid rent to total Six parties in cash every month and

the payment made to each individual owner was below the maximum limit prescribed u/s 40A(3) of the Act of INR 10,000/-. The AO has wrongly considered the gross amount of rent paid to all the landlords as in violation of provision of section 40A(3) of the Act. Since the rent paid to each individual land owner was below INR 10,000/- on each occasion, therefore, provision of section 40A(3) are not applicable. Accordingly, no disallowance is required to be made u/s 40A(3) of the Act. In the light of above facts, we delete the disallowance made by the AO. All the grounds of appeal taken by the assessee are allowed.

3. In the result, the appeal of the assessee is allowed.

Order pronounced in the open Court on 12.03.2026.

Sd/-

**(MAHAVIR SINGH)
VICE PRESIDENT**

Date- 12.03.2026

Amit Kumar, Sr.P.S

Sd/-

**(MANISH AGARWAL)
ACCOUNTANT MEMBER**

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2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT
6. Guard File

Sr.P.S/ASSISTANT REGISTRAR
ITAT, NEW DELHI
(Dehradun Circuit Bench, Dehradun)