

आयकर अपीलीय अधिकरण, 'बी' न्यायपीठ, चेन्नई

IN THE INCOME TAX APPELLATE TRIBUNAL

'B' BENCH, CHENNAI

श्री एन.आर.एस. गणेशन, न्यायिक सदस्य एवं

श्री अब्राहम पी.जॉर्ज, लेखा सदस्य केसमक्ष

BEFORE SHRI N.R.S. GANESAN, JUDICIAL MEMBER AND
SHRI ABRAHAM P. GEORGE, ACCOUNTANT MEMBER

आयकर अपील सं./ITA Nos.1140, 1141 & 1142/Mds/2016

निर्धारण वर्ष / Assessment Years : 2007-08, 2010-11 & 2011-12

M/s Kamarajar Port Limited,
C/o Sundaram & Narayanan,
Chartered Accountants,
18 Balaiah Avenue,
Luz Church Road, Mylapore,
Chennai - 600 004.

v. The Deputy Commissioner of
Income Tax,
Company Circle 2(1),
Chennai - 600 034.

PAN : AAACE 9013 G

(अपीलार्थी/Appellant)

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/Appellant by : Shri K. Meenatchi Sundaram, CA

प्रत्यर्थी की ओर से/Respondent by : Shri Supriyo Pal, JCIT

सुनवाई की तारीख/Date of Hearing : 10.10.2016

घोषणा की तारीख/Date of Pronouncement : 23.11.2016

आदेश /O R D E R

PER N.R.S. GANESAN, JUDICIAL MEMBER:

All the three appeals of the assessee are directed against the respective orders of the Commissioner of Income Tax (Appeals)-8, Chennai, dated 29.02.2016, for the assessment years 2007-08, 2010-11 and 2011-12. Since common issue arises for

consideration in all the three appeals, we heard all these appeals together and disposing of the same by this common order.

2. The only issue arises for consideration in all the three appeals is with regard to addition of disallowance made under Rule 8D of Income-tax Rules, 1962 while computing book profit.

3. Shri K. Meenatchi Sundaram, the Ld. representative for the assessee, submitted that this Tribunal in the assessee's own case for assessment year 2012-13, examined this issue and by placing reliance on the earlier decision of this Bench of the Tribunal in Beach Minerals Company Pvt. Ltd. v. ACIT (64 Taxmann.com 218), found that any disallowance made under Section 14A of the Income-tax Act, 1961 (in short 'the Act') read with Rule 8D cannot be added to the book profit. In view of this decision of the Tribunal in the assessee's own case for assessment year 2012-13, the CIT(Appeals) is not justified in confirming the order of the Assessing Officer.

4. We have heard Shri Supriyo Pal, the Ld. Departmental Representative also. The Ld. D.R. has very fairly conceded that this

issue is covered in favour of the assessee by the order of this Tribunal for assessment year 2012-13.

5. We have considered the submissions on either side and perused the relevant material available on record. As rightly submitted by the Ld. Departmental Representative and the Ld.counsel for the assessee, the very same issue was considered by this Tribunal and this Tribunal found that the disallowance made under Rule 8D cannot be added while computing book profit under Section 115JB of the Act. In view of this order of the Tribunal, the Assessing Officer is not justified in adding the amount disallowed under Section 14A of the Act while computing book profit. By following the order of this Tribunal in the assessee's own case for assessment year 2012-13 and for the reasons stated therein, we are unable to uphold the orders of the lower authorities. Accordingly, the orders of the lower authorities are set aside and the Assessing Officer is directed not to add the disallowance made under Section 14A of the Act while computing book profit under Section 115JB of the Act.

6. In the result, the appeals filed by the assessee are allowed.

Order pronounced on 23rd November, 2016 at Chennai.

sd/-

(अब्राहम पी.जॉर्ज)

(Abraham P. George)

लेखा सदस्य/Accountant Member

sd/-

(एन.आर.एस. गणेशन)

(N.R.S. Ganesan)

न्यायिक सदस्य/Judicial Member

चेन्नई/Chennai,

दिनांक/Dated, the 23rd November, 2016.

Kri.

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त (अपील)/CIT(A)-8, Chennai
4. Principal CIT, Chennai-4, Chennai
5. विभागीय प्रतिनिधि/DR
6. गार्ड फाईल/GF.