

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

Before Sh. BHAVNESH SAINI, Judicial Member

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

ITA No. 96/Del/2016 : Asstt. Year : 2011-12

DCIT Central Circle 25, New Delhi.	Vs	Shilpi Cable Technologies P. Ltd. A-19/B-1, Extension Mohan Cooperative Indl. Estate, Mathura Road, New Delhi.
(APPELLANT)		(RESPONDENT)
PAN No. AADCR3380E		

Revenue by : Sh. Deepak Garg, Sr. DR

Assessee by : None

(Ms. Barkha – present for Official Liquidator)

Date of Hearing: 14.10.2019

Date of Pronouncement: 05 .11.2019

ORDER

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

The present appeal has been filed by the Revenue against the order dated 05.10.2015 passed by the Ld. CIT(Appeals)-1, New Delhi relating to AY 2011-12 on the following grounds of appeal:

- 1. "That on the facts and in the circumstances of the case, the Ld. CIT(A) has erred in law and on facts in deleting the addition of Rs. 7,02,832/- made u/s 14A of the I.T. Act, without appreciating the contents of the Circular dated 11.02.2014 which categorically states that disallowance u/s 14A has to be made irrespective of the exempt income.*
- 2. That on the facts and in the circumstances of the case, the Ld. CIT(A) has erred in law and on facts in deleting the disallowance u/s 14A amounting to Rs. 7,02,832/- without appreciating the fact that the*

provision of Section 14A does not stipulate any exception in case of strategic investment.

3. *That on the facts and in the circumstances of the case, the Ld. CIT(A) has erred in law and on facts in deleting the disallowance u/s 14A amounting to Rs. 7,02,832/- by relying on the judgment of the jurisdictional High Court given in case of CIT vs. Oriental Structural Engineers Pvt. Ltd. ITA No. 605/2012 without appreciating that in the above case the Hon'ble High Court dismissed the appeal of the Revenue with the comments that no substantial question of law is involved.*
4. *Ground no. 4, 5 and 6 are inter-related relate to disallowance of LC Discounting Charges.*

2. During the arguments, it was brought to our notice by the representative of the official liquidator that the Hon'ble NCLT has passed an order u/s 9 of the insolvency and bankruptcy code 2016. The Hon'ble NCLT has also declared moratorium under section 14 of the code and appointed insolvency resolution professional for carrying out further proceedings.

3. In view of the provisions of the section 14 of the code the appeals filed by the Revenue are not maintainable till the conclusion of the resolution proceedings. Keeping in view, the order of the Hon'ble NCLT, the appeal of the Revenue is hereby dismissed with liberty to prefer the same on completion of the moratorium period.

4. In the result, the appeal of the Revenue is dismissed. .

Order Pronounced in the Open Court on 05/11/2019.

Sd/-

(BHAVNESH SAINI)
Judicial Member

Dated: 05 /11/2019

Kavita Arora

Sd/-

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

Copy forwarded to:

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

ASSISTANT REGISTRAR