

IN THE INCOME TAX APPELLATE TRIBUNAL "B"
(Virtual Court Hearing) BENCH KOLKATA

Before Shri Sanjay Garg, Judicial Member and Shri Manish Borad, Accountant Member

I.T.A. No.95/Kol/2020
Assessment Year: 2012-13

ITO, Ward-1(4), Kolkata.....Appellant

vs.

M/s Neelanchal Mercantile Pvt. Ltd.....Respondent

14, Princep Street, 1st Floor,

Kolkata-700072.

[PAN:AAACN8842N]

Appearances by:

Shri Tushar Dhawal Singh, CIT, appeared on behalf of the appellant.

None appeared on behalf of the Respondent.

Date of concluding the hearing : September 07, 2021

Date of pronouncing the order : October 26, 2021

Hearing through Video Conferencing

ORDER

Per Shri Sanjay Garg, Judicial Member:

The present appeal has been preferred by the Revenue against the order dated 14.11.2019 of the Commissioner of Income Tax (Appeals)-7, Kolkata (hereinafter referred to as 'CIT') passed u/s 143(3) of the Income Tax Act.

2. No one has put in appearance on behalf of the assessee. However, after going through the impugned order and the available records on the file and after hearing the Id. DR, we proceed to adjudicate the appeal.

3. The sole issue involved in the appeal is relating to disallowance made by the Assessing Officer u/s 14A r.w. Rule 8D in respect disallowance of expenditure on tax exemption income of the assessee.

4. A perusal of the impugned order of the Id. CIT(A) reveals that the Id. CIT(A) while relying upon the decision of the Hon'ble Supreme court in the cases of PCIT vs. State Bank of Patiala [(2017) 78 taxmann.com 3(SC)] and Maxopp Investment Ltd. vs. CIT [(2018) 91 taxmann.com 154(SC)] has restricted the disallowance to the extent of

tax exempt dividend income earned by the assessee. The Id. DR could not point out any contrary decision in this respect. In view of this, we do not find any infirmity in the order of the Id. CIT(A) and the same is upheld and the appeal of the Revenue is hereby dismissed.

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

Kolkata, the 26th October, 2021.

Sd/-
[Manish Borad]
Accountant Member

Sd/-
[Sanjay Garg]
Judicial Member

Dated: 26.10.2021.

RS

Copy of the order forwarded to:

1. ITO, Ward-1(4), Kolkata
2. M/s Neelanchal Mercantile Pvt. Ltd
3. CIT(A)-
4. CIT- ,
5. CIT(DR),

//True copy//

By order

Sr.PS/D.D.O, Kolkata Benches