

**IN THE INCOME TAX APPELLATE TRIBUNAL
(DELHI BENCH: 'C': NEW DELHI)
(THROUGH VIDEO CONFERENCING)**

**BEFORE SHRI C.N. PRASAD, JUDICIAL MEMBER
AND
SHRI PRADIP KUMAR KEDIA, ACCOUNTANT MEMBER**

**ITA No:- 7862/Del/2018
(Assessment Year: 2013-14)**

ACIT, Circle-11(2), New Delhi.	Vs.	M/s Hindustan Thermal Project Pvt. Ltd., New Delhi.
APPELLANT		RESPONDENT
PAN No: AAFCM6703L		

Revenue By : Shri T. Kipgen , CIT(DR)
Assessee By : None

Date of hearing : 20.12.2021
Date of Pronouncement : 20.12.2021

PER PRADIP KUMAR KEDIA, AM :

The captioned appeal has been filed by the Revenue against the order passed by the Commissioner of Income Tax (Appeals)-35, New Delhi, ("CIT", for short) dated 04.09.2018 arising from the Assessment Order passed by the Assessing Officer under Section 143(3) of the Income Tax Act, 1961, ("the Act", for short) dated 29.03.2016 concerning Assessment Year 2013-14.

2. The issue involved is addition of Rs. 24,06,52,000/- confirmed by the CIT(A) on account of disallowance u/s 14A of the Act.
3. Aggrieved by the relief granted by the revenue of CIT(A), the revenue preferred appeal before the Tribunal,
4. The Ld. CIT(DR) for Revenue relied upon the findings of the AO.
5. None appeared for the assessee.
6. We have carefully perused the orders of the lower authorities. At the outset, we note that the assessee has not claimed any exempt income. Therefore, no disallowance is permissible in view of the decision of the Hon'ble Gujarat High Court in the case of CIT vs. Corrtch Energy P. Ltd. 372 ITR 97 (Guj.). In another judgment in the case of CIT vs. Vision Finstock Ltd. Tax Appeal No. 486 of 2017 dated 31.07.2017 the Hon'ble Gujarat High Court has once again expressed the similar view and held that disallowance of expenditure in terms of Section 14A r.w. Rule 8D cannot exceed the exempt income itself. It is noticed that SLP(Civil) [Diary No. 13152/2018] filed by the Revenue against the judgment of the Hon'ble Gujarat High Court in Vision Finstock Ltd. (supra) has been dismissed on merits by the Hon'ble Supreme Court vide order dated 07.05.2018. The reference is also made to the decision of Hon'ble Supreme Court of India in CIT vs. Chettinad Logistics (P.) Ltd. (2018) 95 taxmann.com 250 (SC). Similar view has been expressed by the Hon'ble Delhi High Court in Chemivest Ltd. Vs. CIT 61 Taxmann.com 118 (Delhi). Thus, in the light of judicial precedents noted above, no

disallowance is called for under s.14A of the Act. Hence, we see no error in the first appellate order and thus, decline to interfere.

7. In the result, captioned appeal by Revenue is dismissed.

Order pronounced in the open court on 20 /12/2021.

Sd/-
(C.N. PRASAD)
JUDICIAL MEMBER

Dated: 20.12.2021

Pooja/-

Copy forwarded to:

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

Sd/-
(PRADIP KUMAR KEDIA)
ACCOUNTANT MEMBER

ASSISTANT REGISTRAR
ITAT NEW DELHI.

Date of dictation	
Date on which the typed draft is placed before the dictating Member	
Date on which the typed draft is placed before the Other Member	
Date on which the approved draft comes to the Sr. PS/PS	
Date on which the fair order is placed before the Dictating Member for pronouncement	
Date on which the fair order comes back to the Sr. PS/PS	
Date on which the final order is uploaded on the website of ITAT	
Date on which the file goes to the Bench Clerk	
Date on which the file goes to the Head Clerk	
The date on which the file goes to the Assistant Registrar for signature on the order	
Date of dispatch of the Order	