

आयकर अपीलीय अधिकरण 'ए' न्यायपीठ चेन्नई में।
IN THE INCOME TAX APPELLATE TRIBUNAL
'A' BENCH, CHENNAI

माननीय श्री महावीर सिंह, उपाध्यक्ष एवं
माननीय श्री मनोज कुमार अग्रवाल, लेखा सदस्य के समक्ष।
BEFORE HON'BLE SHRI MAHAVIR SINGH, VICE PRESIDENT AND
HON'BLE SHRI MANOJ KUMAR AGGARWAL, AM

आयकर अपील सं./ ITA No.2512/Chny/2018
(निर्धारण वर्ष / Assessment Year: 2014-15)

DCIT Corporate Circle-1(1), Chennai.	बनाम / Vs.	M/s. ACSYS Investments Pvt. Ltd. F 79, Spencer Plaza, Phase-II, New No.172, Old No.769, Anna Salai, Chennai – 600 002.
स्थायी लेखा सं./जीआइ आर सं./PAN/GIR No. AAACA-6235-E		
(□ पीलार्थी/ Appellant)	:	(प्रत्यर्थी / Respondent)

अपीलार्थी की ओरसे/ Assessee by	:	Shri N. Arjunraj (CA) for Shri S. Sridhar (Advocate)-Ld. ARs
प्रत्यर्थी की ओरसे/ Revenue by	:	Shri ARV Sreenivasan (Addl. CIT) –Ld. DR
सुनवाई की तारीख/ Date of Hearing	:	18-10-2022
घोषणा की तारीख / Date of Pronouncement	:	18-10-2022

आदेश / O R D E R

Manoj Kumar Aggarwal (Accountant Member)

1. The sole grievance of the revenue in the aforesaid appeal for Assessment Year (AY) 2014-15 is adjustment of disallowance u/s 14A while computing Book Profits u/s 115JB. The assessee has been assessed u/s 143(3) on 25.11.2016 wherein Ld. AO computed disallowance u/s 14A for Rs.18.01 Lacs in terms of Rule 8D(2) and added the same while computing income under normal provisions. However, in rectification order u/s 154, Ld. AO added the disallowance

while computing Book Profits u/s 115JB also. The assessee assailed this adjustment wherein Ld. CIT(A), relying on the decision of Special bench of Tribunal in **Vireet Investment Pvt. Ltd. (82 Taxmann.com 415)**, deleted this adjustment. Aggrieved the revenue is in further appeal before us.

2. As rightly noted by Ld. CIT(A), this issue stood covered in assessee's favor by the cited decision of special bench of this Tribunal. Subsequently, Hon'ble Karnataka High Court in **Sobha Developers Ltd. vs. DCIT (125 Taxmann.com 72)** held that disallowance u/s 14A is a notional disallowance and therefore, the same could not be added back while computing Book Profits u/s 115JB. Therefore, the impugned order could not be faulted with.

3. The appeal stand dismissed.

Order pronounced on 18th October, 2022.

Sd/-
(MAHAVIR SINGH)
उपअध्यक्ष / VICE PRESIDENT

Sd/-
(MANOJ KUMAR AGGARWAL)
लेखक सदस्य / ACCOUNTANT MEMBER

चेन्नई / Chennai; दिनांक / Dated : 18-10-2022
EDN/-

आदेश की प्रतिलिपि ँ ग्रेषित/Copy of the Order forwarded to :

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