

आयकर अपीलीय अधिकरण न्यायपीठ “एक-सदस्य” मामला रायपुर में

**IN THE INCOME TAX APPELLATE TRIBUNAL  
RAIPUR BENCH “SMC”, RAIPUR**

**श्री रवीश सूद, न्यायिक सदस्य के समक्ष  
BEFORE SHRI RAVISH SOOD, JUDICIAL MEMBER**

**आयकर अपील सं./ ITA No.28/RPR/2023**

**निर्धारण वर्ष / Assessment Year : 2014-15**

M/s. SGEPL Infrastructure Private Limited  
(Private Limited Company) (Earlier known as  
Satish Goel Enterprises Pvt. Ltd.)  
Gokul Puram, Kachna Road,  
Khamardih, Raipur (C.G.)  
PAN : AAJCS6322H

.....अपीलार्थी / Appellant

**बनाम / V/s.**

The Deputy Commissioner of Income Tax,  
Circle-3(1), Raipur (C.G.)

.....प्रत्यर्थी / Respondent

Assessee by : Shri Bikram Jain, CA  
Revenue by : Shri Piyush Tripathi, Sr. DR

सुनवाई की तारीख / Date of Hearing : 20.03.2023

घोषणा की तारीख / Date of Pronouncement : 22.03.2023

**आदेश / ORDER****PER RAVISH SOOD, JM**

The present appeal filed by the assessee is directed against the order passed by the Commissioner of Income-Tax (Appeals), National Faceless Appeal Center (NFAC), Delhi, dated 02.12.2022, which in turn arises from the order passed by the A.O under Sec. 143(3) of the Income-tax Act, 1961 (in short 'the Act') dated 14.12.2016 for the assessment year 2014-15. The assessee has assailed the impugned order on the following effective solitary ground of appeal:

“1. On the facts and in the circumstances of the case, the learned CIT(A) has erred in sustaining the order of the A.O. where in the A.O has erred in making disallowance of Rs.13,30,993/- u/s.14A r.w.r.8D of the Income Tax, 1961. The disallowance made by the A.O and confirmed by the CIT(A) is unjustified, unwarranted and uncalled for.”

2. Succinctly stated, the assessee company which is engaged in the business of a builder had e-filed its return of income for A.Y.2014-15 on 29.09.2014, declaring a loss of Rs.(-)3,74,87,779/-. The case of the assessee was, thereafter, selected for scrutiny assessment u/s.143(2) of the Act. Assessment was, thereafter, framed by the A.O vide his order passed u/s.143(3) dated 14.12.2016, wherein after making a disallowance u/s.14A of

Rs.13,30,993/-, the income of the assessee was determined at Rs. Nil.

3. Aggrieved the assessee assailed the disallowance made by the A.O u/s.14A before the CIT(Appeals) but without success.

4. The assessee being aggrieved with the order of the CIT(Appeals) has carried the matter in appeal before me.

5. I have heard the ld. authorized representatives of both the parties, perused the orders of the lower authorities and the material available on record as well as considered the judicial pronouncements that have been pressed into service by the ld.AR to drive home his contentions.

6. Controversy involved in the present appeal lies in a narrow compass, i.e., as to whether or not any disallowance u/s.14A of the Act would be called for in a case where the assessee had not earned any exempt income during the year. It is the claim of the Ld. Authorized Representative (for short 'AR') for the assessee that the assessee company had not received any exempt income during the year under consideration. The Ld. AR had in order to fortify his aforesaid contentions drawn my attention to the computation of income, Page 13-16 of APB.

7. Having given a thoughtful consideration to the aforesaid issue, I find substance in the claim of the Ld. AR. As stated by the Ld. AR, and, rightly so, in absence of any exempt income no disallowance u/s.14A of the Act would be called for in the hands of the assessee. My aforesaid view is fortified by the judgment of the **Hon'ble High Court of Madras** in the case of **Commissioner of Income Tax Vs. Chettinad Logistics Pvt. Ltd. (2017) 248 TAXMAN 55 (Mad.)**. The **Special Leave Petition (SLP) (Civil) No.16194 of 2018** filed by the department before the Hon'ble Apex Court against the aforesaid order of the Hon'ble High Court of Madras in the case of Chettinad Logistics Pvt. Ltd. (supra), had thereafter, been dismissed by the Hon'ble Apex Court in **CIT Vs. Chettinad Logistics (P) Ltd. (2018) 95 taxmann.com 250 (SC)**. In fact, I find that the review petition filed by the revenue had also been dismissed by the **Hon'ble Apex Court** vide its order passed in **Commissioner of Income Tax (Central) Vs. M/s. Chettinad Logistics Pvt. Ltd. (2019) 105 CCH 226 (SC)**. Also, I find that the Hon'ble Apex Court had taken a same view in the case of **Principal Commissioner of Income Tax Vs. Oil Industry Development Board (2019) 262 Taxman 102 (SC)**, wherein the order of the **Hon'ble High Court of Delhi** in the case of **Principal Commissioner of Income Tax Vs. Oil Industries Development Board (2018) 101 CCH 452 (Del. HC)** was approved.

8. Considering the fact that the issue involved in the present appeal is no more *res-integra* pursuant to the judgment of the Hon'ble Supreme Court, therefore, the claim of the Ld. AR that no disallowance u/s.14A of the Act in absence of any exempt income could have been made in the case of the assessee company, merits acceptance.

9. In the result, appeal filed by the assessee is allowed in terms of my aforesaid observations.

Order pronounced in open court on 22<sup>nd</sup> day of March, 2023.

Sd/-

**(रवीश सूद / RAVISH SOOD)**

न्यायिक सदस्य/JUDICIAL MEMBER

रायपुर / Raipur; दिनांक / Dated : 22<sup>nd</sup> March, 2023.

SB

**आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The CIT(Appeals)-1, Raipur (C.G.)
4. The Pr. CIT-1, Raipur (C.G.)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, "एक-सदस्य" बेंच,  
रायपुर / DR, ITAT, "SMC" Bench, Raipur.
6. गार्ड फाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

निजी सचिव /Private Secretary

आयकर अपीलीय अधिकरण, रायपुर / ITAT, Raipur.