

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'F', NEW DELHI**

**Before Sh. Amit Shukla, Judicial Member**

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

**(Through Video Conferencing)**

**ITA No. 3655/Del/2017 : Asstt. Year : 2012-13**

ITO Ward-21(3), New Delhi	Vs	M/s. Richmond Park Property Management Service Pvt. Ltd., 9 <sup>th</sup> Floor DLF Centre, Sansad Marg, New Delhi
<b>(APPELLANT)</b>		<b>(RESPONDENT)</b>
<b>PAN No. AACCR0095H</b>		

**Assessee by : Sh. Satyajeeet Goel, CA**

**Revenue by : Sh. Ramesh Kumar, Sr. DR**

**Date of Hearing: 05.11.2020**

**Date of Pronouncement: 11.11.2020**

**ORDER**

**Per Amit Shukla, Judicial Member:**

The present appeal has been filed by the revenue against the order of the Id. CIT(A)-16, New Delhi, dated 01.03.2017.

2. Following grounds have been raised by the revenue:

*"1 On the facts and circumstances of the case the Ld. CIT(A) has erred in deleting the disallowance of Rs. 1,89,28,916/- u/s 14A of the Income Tax Act, 1961 ignoring CBDT Circular No. 5/2014 wherein it issued a clarification that Rule 8D read with section 14A of the Income Tax Act, 1961 provides for disallowance of expenditure even where taxpayer in a particular year has not earned any exempt income."*

3. At the outset, the uncontroverted facts brought to the notice of the Bench that the assessee has neither earned any exempt income nor debited an expenses in the P&L account pertaining to expenditure.

4. The revenue has filed appeal before the Tribunal owing to CBDT Circular No.5/2014 dated 11.02.2014.

5. The Hon'ble Jurisdictional High Court in the case of CIT Vs. Holcim India Pvt. Ltd. in ITA No.468/2014 dated 05.09.2014, Maxopp Investment Ltd. Vs. CIT (2012) 347 ITR 272 (Del) and Cheminvest Ltd. Vs. CIT (2009) 317 ITR 86 (Del) has categorically held that earning of exempt income is a pre-requisite for disallowance u/s 14A.

6. Respectfully following the ratio of the Hon'ble Jurisdictional High Court, we hereby hold that no disallowance u/s 14A is called for in the instant case.

7. In the result, the appeal of the revenue is dismissed.  
Order Pronounced in the Open Court on 11/11/2020.

Sd/-

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

**Dated: 11/11/2020**

\*Subodh/Binita\*

Copy forwarded to:

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

Sd/-

**(Amit Shukla)**  
**Judicial Member**

**ASSISTANT REGISTRAR**