

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

**BEFORE SH. SAKTIJIT DEY, VICE PRESIDENT AND
SH. M. BALAGANESH, ACCOUNTANT MEMBER**

ITA No. 3152/Del/2023
(Assessment Year : 2017-18)

Pioneer Fil-Med Pvt. Ltd. 5 th Floor, 502, Padma Palace, 86, Nehru Place, New Delhi-110 019 PAN No. AAACP 9963 C (APPELLANT)	Vs.	DCIT-19(2) New Delhi (RESPONDENT)
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Assessee by	Shri Lalit Mohan, Adv. Shri Hitesh Kumar Gupta, C.A.
Revenue by	Shri Vivek Vardhan, Sr. D.R.

Date of hearing:	06.02.2024
Date of Pronouncement:	29.04.2024

ORDER

PER M. BALAGANESH, ACCOUNTANT MEMBER :

1. This appeal filed by the assessee in ITA No.3152/Del/2023 for A.Y. 2017-18 arises out of the order by Commissioner of Income Tax (Appeals)-7, Delhi (hereinafter referred to as Id CIT(A) in short).

2. Though the assessee has raised several grounds, the only effective issue to be decided in this appeal is as to whether the

learned CIT(A) was justified in confirming the disallowance made under section 14A r.w. Rule 8D of the Income Tax Rules specially when the assessee has not earned any dividend income at all.

3. We have heard rival submissions and perused the material available on record. The issue in dispute is no longer *res integra* in view of the recent decision of Hon'ble Jurisdictional High Court in the case of PCIT vs. Era Infrastructure (India) Ltd. reported in 448 ITR 674 wherein the Hon'ble Delhi High Court even after considering the amendment brought by Finance Act, 2022 in Section 14A by holding that the said amendment could only be given prospective application had held that in the absence of exempt income, no disallowance under section 14A of the Act could be made up to A.Y. 2021-22. In the instant case, there is no dispute that there is no exempt income derived by the assessee and hence, the ratio of the aforesaid decision squarely applies to the instant case. Hence, grounds raised by the assessee are hereby allowed.

4. In the result, appeal of the assessee is allowed.

Order pronounced in the open court on 29.04.2024

**Sd/-
(SAKTIJIT DEY)
VICE PRESIDENT**

**Sd/-
(M. BALAGANESH)
ACCOUNTANT MEMBER**

Copy forwarded to:

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

ASSISTANT REGISTRAR
ITAT NEW DELHI