

IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI "G" BENCH : MUMBAI

BEFORE SHRI SATBEER SINGH GODARA, JUDICIAL MEMBER
AND
SHRI OMKARESHWAR CHIDARA, ACCOUNTANT MEMBER

ITA.No.2183/Mum./2024
Assessment Year 2018-2019

The Income Tax Officer, Ward-11(2)(1), Room No.425, Aayakar Bhavan, M.K. Road, Churchgate, Mumbai – 400 020 Maharashtra.	vs.	Script Stories Media Private Limited, Unit-1, Enterprise Centre, Nehru Road, Vile Parle East, Mumbai – 400 099 Maharashtra. PAN AATCS6380H
(Appellant)		(Respondent)

For Revenue :	Shri Virabhadra Mahajan, Sr. DR
For Assessee :	-None-

Date of Hearing :	23.07.2024
Date of Pronouncement :	24.07.2024

ORDER

PER SATBEER SINGH GODARA, J.M.

This assessee's appeal, for assessment year 2018-2019 arises against the order of the learned CIT(A)-National Faceless Appeal Centre, Delhi's DIN & order no.ITBA/NFAC/S/250/2023-24/1061441768(1), dated 24.02.2024,

in proceedings u/s.143(3) of the Income Tax Act, 1961 (in short “the Act”).

Case called twice. None appears at assessee’s behest. It is accordingly proceeded ex-parte.

2. Learned DR vehemently argued during the course of hearing that the CIT(A)-NFAC’s has erred in law and on facts in reversing the assessment findings making sec.14A r.w. Rule 8D disallowance of Rs.1,83,88,000/-. A perusal of the CIT(A)-NFAC’s detailed discussion reveals in this factual backdrop that he has deleted the impugned disallowance going by the clinching fact that the assessee had not derived any exempt income in the relevant previous year.

3. Faced with this situation, we note case law PCIT vs. Ballapur Industries Ltd., [2017] 86 taxmann.com 5 (Bom.) has settled the issue in assessee’s favour that such disallowance provision itself does not apply in absence of any exempt income. This is indeed coupled with the fact that the legislature has amended sec.14A of the Act by way of inserting Explanation by the Finance Act, 2022 w.e.f.

01.04.2022 than making it applicable retrospectively. We note that we are in assessment year 2018-2019 only and we accordingly see no merit in the Revenue's instant sole substantive grievance. The same stands declined in very terms. Ordered accordingly.

4. This Revenue's appeal is dismissed in above terms.

Order pronounced in the open Court on 24.07.2024

Sd/-
[OMKARESHWAR CHIDARA]
ACCOUNTANT MEMBER
Mumbai, Dated 24th July, 2024
VBP/-
Copy to

Sd/-
[SATBEER SINGH GODARA]
JUDICIAL MEMBER

1.	The applicant
2.	The respondent
3.	The Pr. CIT, Mumbai concerned
4.	D.R. ITAT, "G" Bench, Mumbai.
5.	Guard File.

//By Order//

//True Copy //

Assistant Registrar, ITAT, Mumbai Benches,
Mumbai.