

IN THE INCOME TAX APPELLATE TRIBUNAL  
PUNE BENCH "B", PUNE

BEFORE SHRI S.S. GODARA, JUDICIAL MEMBER AND  
DR. DIPAK P. RIPOTE, ACCOUNTANT MEMBER

ITA Nos.723 & 724/PUN/2019

निर्धारण वर्ष / Assessment Years : 2013-14 & 2014-15

Tarini Steel Company Ltd., 101, General Block, MIDC, Telco Road, Bhosari, Pune – 26 PAN : AA ACT6346H	Vs.	ACIT, Circle-8, Pune
Appellant		Respondent

Assessee by Shri Sarvesh Khandelwal  
Revenue by Shri M.G. Jasnani

Date of hearing 14-07-2022  
Date of pronouncement 27-07-2022

आदेश / ORDER

PER S.S. GODARA, JM :

These assessee's twin appeals for assessment years 2013-14 and 2014-15 arise against the CIT(A)-6, Pune's common order dated 26.02.2019 passed in case Nos.PN/CIT(A)-6/ACIT Cir-10/376/15-16 & PN/CIT(A)-6/ACIT Cir-10/10199/17-18 respectively, in proceedings under Section 143(3) of the Income Tax Act, 1961, in short 'the Act'.

Heard both the parties. Case files perused.

2. Coming to the assessee's identical sole substantive grievance that both the learned lower authorities have erred in law and on

facts in making section 14A read with rule 8D disallowance of Rs.2,13,600/- and Rs.22,62,658/-; assessment year-wise, respectively, it emerges at the outset with the able assistance coming from both the sides that this taxpayer had not derived any exempt income in former assessment year and the relevant figure in latter assessment year reads a sum of Rs.18,382.19 only. That being the case, we quote PCIT vs. Kohinoor Projects Pvt. Ltd. (2020) 425 ITR 700 (Bom) that section 14A read with rule 8D only comes into play “in relation” to an assessee’s exempt income derived in the relevant previous year than having any independent exigibility. We thus accept the assessee’s instant former appeal No.723/PUN/2019 for this precise reason alone.

3. The factual position is admittedly a little different in assessment year 2014-15’s appeal ITA No.724/PUN/2019 wherein the assessee has derived exempt income amounting to Rs.18,382.19 only. We quote Joint Investments (P) Ltd. vs. CIT 372 ITR 694 (Del) that such section 14A read with rule 8D disallowance ought not to exceed the assessee’s exempt income itself to restrict the same from Rs.22,62,658/- to Rs.18,382.19 in very terms. The Revenue’s vehement contentions supporting the

impugned disallowance are partly accepted in very terms. So is the outcome of this latter main appeal No.724/PUN/2019. Ordered accordingly.

4. To sum up, the assessee's former appeal No.723/PUN/2019 is allowed and latter appeal No.724/PUN/2019 is partly allowed in above terms. A copy of this common order be placed in the respective case files.

Order pronounced in the Open Court on 27<sup>th</sup> July, 2022.

Sd/-  
**(DIPAK P. RIPOTE)**  
**ACCOUNTANT MEMBER**

Sd/-  
**(S.S. GODARA)**  
**JUDICIAL MEMBER**

पुणे Pune; दिनांक Dated : 27<sup>th</sup> July, 2022  
GCVSR

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

1. अपीलार्थी / The Appellant;
2. प्रत्यर्थी / The Respondent;
3. The CIT(A)-6, Pune
4. The Pr.CIT-5, Pune
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, पुणे "B" /  
DR 'B', ITAT, Pune
6. गार्ड फाईल / Guard file

**आदेशानुसार/ BY ORDER,**

// True Copy //

Senior Private Secretary  
आयकर अपीलीय अधिकरण ,पुणे / ITAT, Pune

		Date	
1.	Draft dictated on	14-07-2022	Sr.PS
2.	Draft placed before author	26-07-2022	Sr.PS
3.	Draft proposed & placed before the second member		JM
4.	Draft discussed/approved by Second Member.		JM
5.	Approved Draft comes to the Sr.PS/PS		Sr.PS
6.	Kept for pronouncement on		Sr.PS
7.	Date of uploading order		Sr.PS
8.	File sent to the Bench Clerk		Sr.PS
9.	Date on which file goes to the Head Clerk		
10.	Date on which file goes to the A.R.		
11.	Date of dispatch of Order.		