

**IN THE INCOME TAX APPELLATE TRIBUNAL
COCHIN BENCH, COCHIN**

Before Shri Satbeer Singh Godara, Judicial Member and
Shri Amarjit Singh, Accountant Member

ITA No. 358/Coch/2023
(Assessment Year: 2018-19)

Geojit Financial Services Ltd. 3rd Floor, 34/659, Civil Line Road Thrikkakara North (Part) Ernakulam 682024 [PAN: AABCG1935E]	vs.	ACIT, Circle 9 1(2) Kochi
(Appellant)		(Respondent)

Appellant by:	Shri Gopi K., CA
Respondent by:	Shri Sanjit Kumar Das, CIT-DR

Date of Hearing:	12.08.2024
Date of Pronouncement:	25.09.2024

ORDER

Per Bench

This assessee's appeal for A.Y. 2018-19 arises against the National Faceless Appeal Centre, Delhi [CIT(A)]'s DIN & Order No. ITBA/NFAC/S/250/2022-23/1050799147(1) dated 15.03.2023, in proceedings u/s. 143(3) r.w.s. 144 of the Income Tax Act, 1961 (hereinafter "the Act").

Heard both parties. Case file perused.

2. We note at the outset that the assessee's sole substantive grievance raised in the instant appeal seeks to reverse both the lower authorities action invoking section 14A r.w. rule 8D disallowance of Rs.1,12,38,582/- as upheld in CITA's lower appellate order.

3. The assessee's first and foremost argument before us is that a sum of Rs.1,09,19,891/- represents its investments made in foreign subsidiary companies yielding taxable income and, therefore, the same ought have been excluded by the lower authorities in the impugned computation. The assessee's further case before us is that both the learned lower authorities should have included its dividend yielding investments only for the purpose of computation of impugned disallowance since the same is only "in relation" to exempt income u/s.14A(2) of the Act.

4. Faced with this situation, the CIT- DR is equally fair enough in submitting that the matter requires to be examine afresh by the Assessing Officer for computing the impugned disallowance keeping in mind only the exempt income yielding investments on both counts. We accordingly restore the assessee's instant sole substantive grievance back to the Assessing Officer for his afresh appropriate computation as per law subject to a rider that the taxpayer shall prove the relevant facts in the consequential proceedings within three effective opportunities. Ordered accordingly.

5. In the result, the assessee's appeal is allowed for statistical purposes.

Order pronounced in the open court on 25th September, 2024.

Sd/-
(Amarjit Singh)
Accountant Member

Sd/-
(Satbeer Singh Godara)
Judicial Member

Cochin, Dated: 25th September, 2024

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Copy to:

1. The Appellant
2. The Respondent
3. The Pr. CIT concerned
4. The Sr. DR, ITAT, Cochin
5. Guard File

By Order

Assistant Registrar/ ITAT, Cochin