IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO. 239 OF 2024

Pr. Commissioner of Income Tax Central 3, Mumbai … Appellant

Versus

Anant Raj Ltd. … Respondent

Mr. J. S. Saluja, for Appellant.

CORAM : M.S. Sonak &
Advait M. Sethna, JJ.

DATED : 08 October 2025

P.C.:-

1. This Appeal is not on Board. However, upon mentioning by Mr. Saluja, the same is taken on Board.

2. This Appeal is for the assessment year 2017-2018. We have, today, admitted ITXA No. 57 of 2024 which relates to the assessment year 2018-2019. Accordingly, we admit this Appeal on the following substantial questions of law:

> "**(i)** Whether, on the facts and in the circumstances of the case and in law, the Hon'ble ITAT was justified in holding that the disallowance u/s 14A of the Act cannot exceed the amount of exempt income earned during the year, thereby ignoring the clarificatory Explanation of disallowance u/s. 14A(1) inserted vide the Finance Act 2022 that the provisions of

> section 14A shall apply and shall be deemed to have always applied even in a case when exempt income has not accrued or arisen or has not been received during the previous year but expenditure has been incurred during the said previous year in relation to earning of such exempt income?"

3. Tag this Appeal with Income Tax Appeal No. 57 of 2024.

4. Mr. Saluja states that steps would be taken to serve the Respondent and Affidavit-of-service would also be filed. The same stand is accepted.

(Advait M. Sethna, J) **(M.S. Sonak, J.)**