

**IN THE INCOME TAX APPELLATE TRIBUNAL,  
MUMBAI BENCH "C", MUMBAI**

**BEFORE SHRI SANJAY GARG, JUDICIAL MEMBER AND  
SHRI RAMIT KOCHAR, ACCOUNTANT MEMBER**

**ITA No.6758/M/2013  
Assessment Year: 2007-08**

O/o Income Tax Officer – 2(1)2, R. No.543, 5 <sup>th</sup> Floor, Aayakar Bhavan, M.K. Road, Mumbai - 400020	Vs.	M/s. C.N. Gandevia Clearing & Forwarding Agents Pvt. Ltd., 6/2 Vrindavan Society, N.S. Mankikar Marg, Sion, Mumbai – 400 022 <b>PAN: AABCC3364P</b>
(Appellant)		(Respondent)

**ITA No.6462/M/2013  
Assessment Year: 2007-08**

M/s. C.N. Gandevia Clearing & Forwarding Agents Pvt. Ltd., 6/2 Vrindavan Society, N.S. Mankikar Marg, Sion, Mumbai – 400 022 <b>PAN: AABCC3364P</b>	Vs.	Income Tax Officer – 2(1)2, R. No.543, 5 <sup>th</sup> Floor, Aayakar Bhavan, M.K. Road, Mumbai - 400020
(Appellant)		(Respondent)

**Present for:**

Assessee by : Shri R.B. Vora, A.R.  
Revenue by : Dr. S. Pandian, D.R.

Date of Hearing : 28.03.2016  
Date of Pronouncement : 31.03.2016

**ORDER**

**Per Sanjay Garg, Judicial Member:**

The above titled cross appeals one by the assessee and the other by the Revenue have been preferred against the order dated 17.09.2013 of the Commissioner of Income Tax (Appeals) [hereinafter referred to as the CIT(A)] relevant to assessment year 2007-08.

2. The Revenue in this appeal has agitated the action of the Ld. CIT(A) in directing the Assessing Officer (hereinafter referred to as the AO) to reduce the

addition of Rs.23,71,130/- which was made by the AO to the net profits on account of undisclosed contract receipts.

At the outset, the Ld. D.R. has stated that the tax effect in this appeal is less than Rs.10 lakhs and therefore as per the CBDT circular No.21/2015 dated 10/12/2015, he does not press the appeal of the Revenue and the same may be dismissed as not pressed.

3. The CBDT vide Circular dated 10/12/2015 (supra) has revised the monetary limits for filing of appeals by the Department before the Tribunal and further vide Para 10 of the said circular it has been clarified that said circular is applicable retrospectively to the pending appeals also. The relevant portion of the circular dated 10/12/2015 (supra) is reproduced below:-

*" 3.Henceforth appeals/SLPs shall not be filed in cases where the tax effect does not exceed the monetary limits given hereunder:-*

<i>Sl. No.</i>	<i>Appeals in Income-tax matters</i>	<i>Monetary Limits (In Rs.)</i>
<i>1.</i>	<i>Before Appellate Tribunal</i>	<i>10,00,000</i>
<i>2.</i>	<i>Before High Court</i>	<i>20,00,000</i>
<i>3.</i>	<i>Before Supreme Court</i>	<i>25,00,000</i>

*4. For this purpose, "tax effect" means the difference between the tax on the total income assessed and the tax that would have been chargeable had such total income been reduced by the amount of income in respect of the issues against which appeal is intended to be filed (hereinafter referred to as "disputed issues"). However the tax will not include any interest thereon, except where chargeability of interest itself is in dispute. In case the chargeability of interest is the issue under dispute, the amount of interest shall be the tax effect. In cases where returned loss is reduced or assessed as income, the tax effect would include notional tax on disputed additions. In case of penalty orders, the tax effect will mean quantum of penalty deleted or reduced in the order to be appealed against.*

*8. Adverse judgments relating to the following issues should be contested on merits notwithstanding that the tax effect entailed is less than the monetary limits specified in para 3 above or there is no tax effect:*

*(a)Where the Constitutional validity of the provisions of an Act or Rule are under challenge, or*

*(b)Where Board's order, Notification, Instruction or Circular has been held to be illegal or ultra vires, or*

*(c)Where Revenue Audit objection in the case has been accepted by the Department, or*

*(d)Where the addition relates to undisclosed foreign assets/ bank accounts.*

*9. The monetary limits specified in para 3 above shall not apply to writ matters and direct tax matters other than Income tax. Filing of appeals in other Direct tax matters shall continue to be governed by relevant provisions of statute & rules. Further, filing of appeal in cases of Income Tax, where the tax effect is not quantifiable or not involved, such as the case of registration of trusts or institutions under section 12A of the IT Act, 1961, shall not be governed by the limits specified in para 3 above and decision to file appeal in such cases may be taken on merits of a particular case.*

*10. This instruction will apply retrospectively to pending appeals and appeals to be filed henceforth in High Courts/ Tribunals. Pending appeals below the specified tax limits in para 3 above may be withdrawal not pressed. Appeals before the Supreme Court will be governed by the instructions on this subject, operative at the time when such appeal was filed."*

**(underlined for emphasis by us)**

4. The tax effect in dispute in the captioned appeal is stated to be below the monetary limit of Rs.10.00 lacs as specified in the CBDT Circular dated 10/12/2015 (supra). The Ld. DR has not brought out any material to suggest that the captioned appeal is protected by any of the circumstances prescribed in Para-8 of the Circular dated 10/12/2015 (supra). He therefore has stated that in view of the above circular of the CBDT, the captioned appeal be treated as withdrawn/not pressed. Hence, without going into the merit of the issues raised in the present appeal, this appeal is treated as dismissed as withdrawn/not pressed as its filing being in contravention of the CBDT Circular dated 10/12/2015(supra) read with section 268A of the Income Tax Act.

5. At this stage, Mr. R.B. Vora, Managing Director of the assessee company has made a statement vide letter dated 28.03.16 that in view of the dismissal of the appeal of the Revenue he does not want to pursue the appeal of

the assessee and that he may be allowed to withdraw the appeal of the assessee also.

6. The Ld. D.R. has also stated that he has no objection in accepting the application of the assessee for withdrawal of the appeal.

7. In view of this, the appeal of the assessee is hereby dismissed as withdrawn.

8. In the result, both the above titled cross appeals one by the assessee and the other by the Revenue are hereby dismissed.

**Order pronounced in the open court on 31.03.2016.**

**Sd/-**  
**(Ramit Kochar)**  
**ACCOUNTANT MEMBER**

**Sd/-**  
**(Sanjay Garg)**  
**JUDICIAL MEMBER**

Mumbai, Dated: 31.03.2016.

\* Kishore, Sr. P.S.

Copy to: The Appellant  
The Respondent  
The CIT, Concerned, Mumbai  
The CIT (A) Concerned, Mumbai  
The DR Concerned Bench

//True Copy//

By Order

Dy/Asstt. Registrar, ITAT, Mumbai.