

आयकर अपीलीय अधिकरण, 'सी' न्यायपीठ, चेन्नई।
IN THE INCOME TAX APPELLATE TRIBUNAL
'C' BENCH: CHENNAI

श्री एन.आर.एस. गणेशन, न्यायिक सदस्य एवं
श्री डि.एस. सुन्दर सिंह, लेखा सदस्य के समक्ष

BEFORE SHRI N.R.S. GANESAN, JUDICIAL MEMBER AND
SHRI D.S.SUNDER SINGH, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No.1121/Mds/2016
निर्धारण वर्ष /Assessment Year: 2011-12

The Asst. Commissioner of Income
Tax, Non Corporate Circle-3,
121, Mahatma Gandhi Road,
Nungambakkam,
Chennai-600 034.

Vs. Shri Krishnamurthy Mani,
New No.24/1, Subramaniam
Street, Abiramapuram,
Chennai-600 018.

[PAN: AFJPM 9409 F]

(अपीलार्थी/ **Appellant**)

(प्रत्यर्थी/ **Respondent**)

अपीलार्थी की ओर से/ Appellant by

: Mr.A.V.Sreekanth,JCIT

प्रत्यर्थी की ओर से /Respondent by

: Mr.A.N.R.Jayaprathap, Adv.

सुनवाई की तारीख/Date of Hearing

: 15.03.2017

घोषणा की तारीख /Date of Pronouncement

: 27.03.2017

आदेश / O R D E R

PER D.S.SUNDER SINGH, ACCOUNTANT MEMBER:

This is an appeal filed by the Revenue against an Order dated 29.01.2016 of Commissioner of Income Tax (Appeals)-14, Chennai, in ITA No.170/14-15 for the AY 2011-12 on the following grounds:

1. *The order u/s.250(6) of the Ld.CIT(A) is contrary to law and opposed to the facts of the case.*

2. *The Learned CIT(A) has erred in directing to delete the addition of Rs.11,75,550/- made on account of Legal Expenses without appreciating the fact that the assessee had failed to prove before the Assessing Officer along with evidence that this amount is paid to Singapore agent for registration of products coordination with the respective health department of each country.*
3. *The Ld CIT(A) has erred in directing to delete the addition made by the Assessing Officer of Rs.16,17,714/- under the head "Product Registration Charges" on account of same being Capital Expenditure without appreciating the fact that the assessee had failed to produce evidence about the expenses incurred and to establish any nexus between the expenses claimed and its use for business proposes.*
4. *For these and other grounds that may be adduced at the time of hearing, it is prayed that the order of the Commissioner of Income tax (Appeals) may please be set aside and that of Assessing Officer be restored.*

2. The Ld.A.R. brought to the notice of the bench that the appeal is not maintainable since the tax effect is below Rs.10.00 lakhs. The Assessing Officer passed order u/s.143(3) on 29.01.2016 determining the total income at Rs.2,88,50,001/-, against which the Ld.CIT(A) has deleted the addition of Rs.11,75,550/- towards legal expenses and Rs.16,17,714/- under the head product registration charges. According to the Ld.AR, the tax effect comes to Rs.9,06,274/- only against the deletion of addition against which the Revenue is in appeal. On hearing from the Ld. Departmental Representative, Shri A.V.Sreekanth, JCIT, we find that the tax effect in this appeal is less than Rs.10 lakhs. The CBDT in Circular No.21/2015 dated 10.12.2015 increased the monetary limit for filing appeal before this Tribunal from Rs.4 lakhs to Rs.10 lakhs. The CBDT further clarified that the Instruction dated 10.12.2015 will apply retrospectively to all the pending appeals before this Tribunal. The CBDT has also instructed its officers to withdraw the appeals pending before this Tribunal. In view of the above, this Tribunal is of the considered opinion that the Circular issued by the CBDT on 10.12.2015 is binding on the

Department. Therefore, the appeal filed by the Revenue is not maintainable. Accordingly, the appeal of the Revenue is dismissed.

3. In the result, the appeal of the Revenue is **dismissed**.

Order pronounced in the Open Court on 27th March, 2017, at Chennai.

Sd/-

(एन.आर.एस. गणेशन)
(N.R.S. GANESAN)

न्यायिक सदस्य/**JUDICIAL MEMBER**

Sd/-

(डि.एस. सुन्दर सिंह)
(D.S.SUNDER SINGH)

लेखा सदस्य/**ACCOUNTANT MEMBER**

चेन्नई/Chennai,

दिनांक/Dated: 27th March, 2017.

TLN

आदेश की प्रतिलिपि अग्रेषित/**Copy to:**

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त (अपील)/CIT(A)
4. आयकर आयुक्त/CIT
5. विभागीय प्रतिनिधि/DR
6. गार्ड फाईल/GF