

**IN THE INCOME TAX APPELLATE TRIBUNAL
BANGALORE BENCHES "B", BANGALORE**

Before Shri A.K.Garodia, AM & Shri George George K, JM

ITA No.912/Bang/2017 : Asst.Year 2005-2006

ITA No.913/Bang/2017 : Asst.Year 2006-2007

ITA No.914/Bang/2017 : Asst.Year 2007-2008

The Income Tax Officer TDS Ward 1 Ballari.	Vs.	M/s.Sai Krishna Minerals Private Limited, 3 rd Cross, Patel Nagar Hospet. PAN :AAICS2188L.
(Appellant)		(Respondent)

Appellant by : Smt.Padmameenakshi, JCIT

Respondent by : --- None ---

Date of Hearing : 02.11.2017	Date of Pronouncement : 03.11.2017
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ORDER

Per George George K, JM

These three appeals at the instance of the Revenue are directed against three separate orders of the CIT(A), dated 13/14.02.2017. The relevant assessment years are 2005-2006, 2006-2007 and 2007-2008.

2. None was present on behalf of the assessee. However, we proceeded to dispose of the appeal, after hearing the learned Departmental Representative.

3. At the outset, it is observed that the tax effect involved in these appeals is below Rs.10 lakh. The CBDT, with a view to

reduce unnecessary litigation on their part, has issued a circular No.21/2015 dated 10th December, 2015, wherein they have revised the monetary limits for filing of appeals by the Department before the Income Tax Appellate Tribunal, High Courts and Supreme Court. Insofar as the Tribunal is concerned, the monetary limit specified is Rs.10 lakh. The CBDT specified that where the tax effect does not exceed the monetary limit specified therein, the concerned authority has to withdraw its appeal or it need not press the same. It is further specified that the tax effect indicated therein is applicable to all pending appeals, though they are filed by the Revenue prior to the issuance of the said circular. It was also clarified that the Assessing Officer has to calculate the tax effect separately for every assessment year in respect of the disputed issue/s in the case of every assessee. If, in the case of an assessee, the disputed issue arises in more than one year(s), appeal(s) can be filed in respect of such assessment year(s) in which tax effect in respect of the disputed issue exceeds the monetary limit specified. In other words, if there are a number of years, if the tax effect is less than the specified limit in one year, appeal cannot be filed or the same has to be withdrawn for that year, for want of tax effect. However, an exception is made to this direction with regard to a combined order passed by the first appellate authority. That is, if in one of the years the tax effect is more than Rs.10 lakh and the Revenue decides to file an appeal, in respect of other years covered by the said order also, Revenue is eligible to file appeal, even though the tax effect in each of those years

is less than Rs.10 lakh. It was also clarified that merely because the appeal is dismissed for want of tax effect, it does not come in the way of the Department in filing appeal for other years(s), and it does not mean that the Department has acquiesced the issue. The above circular was also specifically made applicable to all pending appeals.

4. The Legislature in its wisdom has introduced section 268A of the Income Tax Act, 1961, whereby the Board is empowered to issue orders/instructions/directions to the income-tax authorities, fixing the monetary limits for the purpose of regulating the filing of appeals. In the light of the Circular dated 10.12.2015, issued by the CBDT in exercise of the powers conferred in it by subsection (1) of section 268A, we are of the view that the appeal filed herein should not have been pressed by the Revenue. The Learned Departmental Representative fairly admitted that the tax effect in these appeals is less than the prescribed limit in para-3 of the above Circular issued by the CBDT. Having regard to the circumstances of the case, we dismiss the appeals of the Revenue as not admitted, because of low tax effect.

5. However, the revenue is at liberty to move appropriate application/petition in case if it is found that the case is covered by one of the exception(s) carved out in the said Circular.

6. In the result, the appeals by the Revenue are dismissed.
assessee is dismissed.

Order pronounced on this 03rd day of November, 2017.

Sd/-
(A.K.Garodia)
Accountant Member

Sd/-
(George George K.)
JUDICIAL MEMBER

Bangalore ; Dated : 03rd November, 2017.
Devdas*

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent.
3. The CIT, Gulbarga
4. CIT(A), Gulbarga.
5. DR, ITAT, Bangalore
6. Guard file.

True copy

BY ORDER,

(Sr.Private Secretary)
ITAT, Bangalore