

आयकर अपीलीय अधिकरण, जयपुर न्यायपीठ, जयपुर  
IN THE INCOME TAX APPELLATE TRIBUNAL, JAIPUR BENCHES, JAIPUR

श्री विजय पाल रॉव, न्यायिक सदस्य एवं श्री विक्रम सिंह यादव, लेखा सदस्य के समक्ष  
BEFORE: SHRI VIJAY PAL RAO, JM AND SHRI VIKRAM SINGH YADAV, AM

आयकर अपील सं./ITA No. 241/JP/2017  
निर्धारण वर्ष/Assessment Year : 2012-13.

The Income Tax Officer, Ward -2, Bharatpur.	बनाम Vs.	Shri Raj Kumar Goyal, Prop. M/s. Tilakdhari Jewellers, Main Market, Sarrafa Bazar, Bharatpur.
स्थायी लेखा सं./जीआईआर सं./PAN No. ABYPG 1374 Q		
अपीलार्थी/ Appellant		प्रत्यर्थी/ Respondent

राजस्व की ओर से/ Revenue by: Smt. Neena Jeph (Addl. CIT)  
निर्धारिती की ओर से/ Assessee by : Written submission

सुनवाई की तारीख/ Date of Hearing : 28.08.2018.  
घोषणा की तारीख/ Date of Pronouncement : 28/08/2018.

आदेश/ ORDER

PER VIJAY PAL RAO, JM :

This appeal by the revenue is directed against the order dated 06.01.2017 of Id. CIT (A), Alwar for the assessment year 2012-13. The revenue has raised the following grounds :-

1. On the facts and in the circumstances of the case Id. CIT (A) erred in reducing the addition of Rs. 54,30,000/- to Rs. 9,00,000/- which was made by AO on account of non-genuine accommodation entries/unsecured loans taken by the assessee.
2. On the facts and in the circumstances of the case Id. CIT (A) erred in reducing the addition of Rs. 5,27,538/- to Rs. 2,11,800/- which was made by AO on account of interest paid on non genuine accommodation entries/unsecured loans taken by the assessee.
3. On the facts and in the circumstances of the case Id. CIT (A) erred in deleting the trading addition of Rs. 9,86,536/- made by

AO by invoking provision of section 145(3) of the IT Act after rejecting the books of account.

2. The dispute in the appeal of the revenue is regarding reducing the addition of Rs. 54,30,000/- to Rs. 9,00,000/- and reducing the addition of Rs. 5,27,538/- to Rs. 2,11,800/- which were made by AO on account of non genuine accommodation entries/unsecured loans and interest paid on non-genuine accommodation entries/unsecured loans respectively and deletion of trading addition of Rs. 9,86,536/- made by the AO by invoking the provisions of section 145(3). Admittedly the tax effect in the revenue's appeal is not exceeding the limit of Rs. 20 lacs as per CBDT Circular No. 3 of 2018.

2.1. The Id. D/R has fairly submitted that the tax effect involved in the Revenue's appeal is less than 20 lacs which is prescribed threshold limit in terms of the CBDT Circular No. 3/2018 dated 11<sup>th</sup> July, 2018 issued in supersession of its earlier Circular No. 21 of 2015 dated 10.12.2015.

3. We have heard the rival contentions and perused the materials available on record. It is observed that the demand/ tax effect in the Revenue's appeal in question is below Rs. 20.00 lacs . Under the powers vested by section. 268A(1) of the IT Act, CBDT has recently issued Circular No. 3/2018 dated 11<sup>th</sup> July, 2018 (F No. 279/Misc. 142/2007-ITJ(Pt) instructing the authorities below that departmental appeal should not be filed before ITAT where the demand/tax effect does not exceed Rs. 20 lacs. The circular is specifically mentioned to be applicable for all pending appeals.

4. Subject to some exceptions, it is further directed by CBDT that all the departmental appeals pending before ITAT where the demand/tax effect is not exceeding than 20 lacs should be either withdrawn or not pressed by the departmental representatives.

5. The present appeal is not covered by any exceptions mentioned in the said CBDT circular. Since the tax demand in dispute in this departmental appeal is below the limit set out by CBDT for the appeal, the appeal of the assessee is not maintainable in view of CBDT Circular No. 3 of 2018 dated 11.07.2018. Accordingly the appeal of the Department is dismissed as not pressed/withdrawn.

7. In the result, the appeal of the Revenue is dismissed.

Order pronounced in the open court on 28/08/2018.

Sd/-  
(विक्रम सिंह यादव)  
(VIKRAM SINGH YADAV )  
लेखा सदस्य / Accountant Member

Sd/-  
(विजय पाल रॉव )  
(VIJAY PAL RAO)  
न्यायिक सदस्य / Judicial Member

Jaipur

Dated:- 28/08/2018.

Das/

आदेश की प्रतिलिपि अग्रेषित / Copy of the order forwarded to:

1. The Appellant- The Income-tax Officer, Ward 2, Bharatpur.
2. The Respondent –Shri Raj Kumar Goyal, Bharatpur.
3. The CIT(A).
4. The CIT,
5. The DR, ITAT, Jaipur
6. Guard File (ITA No. 241/JP/2017)

आदेशानुसार / By order,

सहायक पंजीकार / Assistant. Registrar

