

**आयकर अपीलीय अधिकरण नागपुर न्यायपीठ, नागपुर में ।**  
**IN THE INCOME TAX APPELLATE TRIBUNAL NAGPUR BENCH, NAGPUR**

**श्री डी. करुणाकरा राव, लेखा सदस्य, एवं श्री विकास अवस्थी, न्यायिक सदस्य के समक्ष ।**  
**BEFORE SHRI D. KARUNAKARA RAO, AM AND SHRI VIKAS AWASTHY, JM**

**आयकर अपील सं. / ITA No.62/NAG/2015**  
**निर्धारण वर्ष / Assessment Year : 2007-08**

The Income Tax Officer,  
Ward – 5(3), Nagpur

.....अपीलार्थी / Appellant

**बनाम / V/s.**

Shri Venkatesh Casting Pvt. Ltd.,  
156, Sarda Complex,  
Quetta Colony,  
Nagpur – 440008

PAN : AAICS9619L

.....प्रत्यर्थी / Respondent

Assessee by : S/Shri C.J. Thakar & S.C. Thakar  
Revenue by : Shri U.U. Kasar

सुनवाई की तारीख / Date of Hearing : 29-03-2019

घोषणा की तारीख / Date of Pronouncement : 29-03-2019

**आदेश / ORDER**

**PER VIKAS AWASTHY, JM :**

This appeal has been filed by the Revenue against the order of Commissioner of Income Tax (Appeals)-I, Nagpur dated 14-11-2014 for the assessment year 2007-08.

2. Shri C.J. Thakar and Shri S.C. Thakar appearing on behalf of the assessee submitted at the outset that the appeal by Revenue is liable to be dismissed on account of low tax effect in terms of recent CBDT Circular No. 3/2018, dated 11-07-2018. The ld. Counsel for the assessee has furnished working of tax effect involved in the appeal. According to the working, tax effect is Rs.15,84,414/- including surcharge and Cess.

3. Shri Shri U.U. Kasar representing the Department stated that apparently in the present appeal by the Department tax effect is less than Rs.20 Lakhs.

4. We have heard the submissions of rival sides and have perused the material available on record. The Revenue is in appeal against the order of Commissioner of Income Tax (Appeal) in deleting the addition u/s. 40A(3) & 40(a)(ia) of the Income Tax Act, 1961 (hereinafter referred to as "the Act") on account of payments made towards transportation charges. There are other grounds assailing findings on minor additions of shortage of stock and rate of gross profit to be applied on unaccounted sales. Prima-facie, the tax effect involved in appeal is less than the monetary limit prescribed by CBDT Circular for filing of appeals before the Tribunal by the Department. The CBDT vide Circular No. 3/2018, dated 11-07-2018 has raised the monetary limit of tax effect for filing of appeals by the Department before the Tribunal to Rs.20 lakhs. The Circular applies to the appeals to be filed by the Department in future as well as the appeals pending before the Tribunal. Without going into merit of the issues raised in the appeal, in view of the

CBDT Circular the present appeal of the Revenue is dismissed on account of low tax effect.

5. Before parting, we clarify here that the Revenue shall be at liberty to approach the Tribunal for restoration of appeal, with the requisite material to show that the appeal is protected by the exceptions mentioned in Para 10 of the Circular (supra).

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

Order pronounced in the open court at the time of hearing on Friday, the 29<sup>th</sup> day of March, 2019.

Sd/-	Sd/-
(डी. करुणाकरा राव/D. Karunakara Rao)	(विकास अवस्थी / Vikas Awasthy)
लेखा सदस्य / ACCOUNTANT MEMBER	न्यायिक सदस्य / JUDICIAL MEMBER

नागपुर / Nagpur; दिनांक / Dated : 29<sup>th</sup> March, 2019.

RK

**आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. आयकर आयुक्त (अपील) / The CIT(A)-I, Nagpur
4. आयकर आयुक्त / The CIT-I, Nagpur
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, नागपुर बेंच, नागपुर / DR, ITAT, Nagpur Bench, Nagpur.
6. गार्ड फ़ाइल / Guard File.

//सत्यापित प्रति // True Copy//

आदेशानुसार / BY ORDER,

निजी सचिव / Private Secretary,  
आयकर अपीलीय अधिकरण, नागपुर / ITAT, Nagpur