

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

श्री इंटूरी रामा राव, लेखा सदस्य एवं
श्री धुव्वुरु आर.एल. रेड्डी, न्यायिक सदस्य के समक्ष

BEFORE SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER AND
SHRI DUVVURU R.L.REDDY, JUDICIAL MEMBER

SI.No.	ITA No.	AY	Appellant	Respondent
1	633/Chny/2019	2010-11	The ACIT, Pondicherry Circle, No.378-386, M.G.Road, Kannaiah Business Centre, Pondicherry-605 001.	M/s.Premier Distilleries Pvt. Ltd., No.377, 1 st Floor, Anna Salai, Pondicherry-605 001. [PAN: AACCP 0181 A]
2	634/Chny/2019	2011-12		
3	635/Chny/2019	2012-13		
4	636/Chny/2019	2013-14		
5	1428/Chny/2019	2014-15	The ACIT, Corporate Circle-6(2), Chennai.	M/s.Steril-Gene Life Sciences Pvt. Ltd., No.15, Gopalakrishnan Road, T.Nagar, Chennai-600 017. [PAN: AAKCS 9783 R]
6	1939/Chny/2019	2012-13	The ACIT, Corporate Circle-6(2), Chennai.	M/s.Shriram Venture Ltd., Mookimba Complex, No.4, Lady Desika Road, Mylapore, Chennai-600 004. [PAN: AAACS 7696 D]
7	2394/Chny/2018	2009-10	The ACIT, Non-Corporate Circle- 18(1), Chennai.	Ms.Swapna Dutt Chalasanani, No.18/20, Lady Madhavan Street, Nungambakkam, Mahalingapuram, Chennai-600 034. [PAN: ARTPS 0053 K]
8	2004/Chny/2019	2008-09	The DCIT, Corporate Circle- 6(2), Chennai	M/s.Srinivasa Fashions Pvt. Ltd., 1A, Regency Apartments No.5, 1 st Lane, Nungambakkam High Road, Chennai- 600 034. [PAN: AAICS 9511 R]
9	1850/Chny/2019	2014-15	The ACIT, Circle-1, Namakkal	Mr.K.M.Ramasamy, No.15, K.Kandampalayam, Konur Post, Namakkal- 637 207. [PAN: AGDPR 8355 A]
10	1518/Chny/2019	2011-12	The ACIT, Non-Corporate Circle- 7(1), Chennai-34.	Mr.DR.K.Senthil Nathan, Plot No.1499, 16 th Main Road, Anna

				Nagar, Chennai-600 040. [PAN: AADPK 0449 A]
11	3559/Chny/2018	2009-10	The ACIT, Central Circle-2(1), Chennai	Smt.Meera Arun, No.199, St. Mary's Road, Alwarpet, Chennai-600 018. [PAN: AIGMP 6898 J]

अपीलार्थी की ओर से/ Appellant by

:

Sl.No. as mentioned in Cause Title	
Sl.No.	Name of Counsel
1-11	Mr.Sridhar Dora, JCIT

प्रत्यर्थी की ओर से /Respondent by

:

Sl.No. as mentioned in Cause Title	
Sl.No.	Name of Counsel
1-4	Mr.S.Sridhar, Adv.
5-9	None
10	Mr.S.Sridhar, Adv. for Mr.R.Mugunthan, CA
11	Mr.S.Sridhar, Adv.

सुनवाई की तारीख/Date of Hearing

:

29-08-2019

घोषणा की तारीख /Date of Pronouncement

:

09-09-2019

आदेश / ORDER

PER BENCH:

These '11' appeals are filed by the Revenue relating to different assesseees, all these appeals call into question correctness of the relief granted to the taxpayers by the Commissioners of Income Tax (Appeals) and, most importantly, the tax effect involved in all these appeals does not exceed Rs.50,00,000/- in each of these appeals.

2. ITA Nos.633-636/Chny/2019 are the appeals filed by the Revenue are delayed by '02' days, for which, the Revenue has filed Affidavit for condonation of the delay, to which, the Id.Counsel for the assessee has not raised any serious objection. Consequently, the delay of '02' days in

filing of the appeals stand condoned and the appeals are disposed off on merits. ITA No.1939/Chny2019 is the appeal filed by the Revenue is delayed by '48' days, for which, the Revenue has filed Affidavit for condonation of the delay. The Id.DR submitted that there was reasonable cause prevented the Department in filing the appeal with the delay of '48' days and pleaded for condoning the delay. Since none appeared on behalf of the assessee and the Revenue was prevented by reasonable cause in filing belated appeal, the delay of '48' days in filing of the appeal stands condoned and the appeal is disposed off on merits.

3. Vide CBDT circular No.17/2019 in F.No.279/Misc.142/2007-ITJ(Pt) dated 8th August, 2019, the income tax department has further liberalized its policy for not filing appeals against the decisions of the appellate authorities in favour of the taxpayers, wherein tax involved is below certain threshold limits, and announced its policy decision not to file, or press, the appeals, before this Tribunal, against the appellate orders favourable to the assessee in the cases in which overall tax effect, excluding interest except when interest itself is in dispute, is Rs.50,00,000/- or less.

4. In view of the above factual background and the concession by this CBDT circular, all these appeals must be dismissed as withdrawn.

5. This circular, only enhances the monetary limits and gives further relaxation. The old circular, beyond any dispute or controversy, categorically applied to the pending appeals as on the date of issuance of circular.

6. The circular dated 8th August 2019 is not a standalone circular. It is to be read in conjunction with the CBDT circular No.3/2018 (and subsequent amendment thereto), and all it does is to replace paragraph nos.3 and 5 of the said Circular. This is evident from the following extracts from the circular dated 8th August 2019:

"2. As a step towards further management of litigation. it has been decided by the Board that monetary limits for filing of appeals in income-tax cases be enhanced further through amendment in Para 3 of the Circular mentioned above and accordingly, the table for monetary limits specified in Para 3 of the Circular shall read as follows:

<i>Sl.No.</i>	<i>Appeals/SLPs in Income-tax matters</i>	<i>Monetary limits (Rs.)</i>
<i>1</i>	<i>Before Appellate Tribunal</i>	<i>50,00,000</i>
<i>2</i>	<i>Before High Court</i>	<i>1,00,00,000</i>
<i>3</i>	<i>Before Supreme Court</i>	<i>2,00,00,000</i>

3. Further, with a view to provide parity in filing of appeals in scenarios where separate order is passed by higher appellate authorities for each assessment year vis-a-vis where composite order for more than one assessment years is passed. para 5 of the circular is substituted by the following para:

"5. The Assessing Officer shall calculate the tax effect separately for every assessment year in respect of the disputed issues in the case of every assessee. If in the case of an assessee, the disputed issues arise in more than one assessment year, appeal can be filed in respect of such assessment year or years in which the tax effect in respect of the disputed issues exceeds the monetary limit specified in para 3. No appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit specified in para-3. Further, even in the case of composite order of any High Court or appellate authority which involves more than one assessment year and common issues in more than one assessment year no appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit specified in para 3. In case where a composite order/ judgement involves more than one assessee, each assessee shall be dealt with separately"

4. The said modifications shall come into effect from the date of issue of this Circular."

7. Clearly, all other portions of the circular no.3 of 2018 (supra) have remained intact. The portion which has remained intact includes paragraph 13 of the aforesaid Circular which is as follows:

"13. This Circular will apply to SLPs/ appeals/ cross objections/ references to be filed henceforth in SC/HCs/Tribunal and it shall also apply retrospectively to pending SLPs/ appeals/ cross objections/references. Pending appeals below the specified tax limits in para 3 above may be withdrawn/ not pressed."

8. The Hon'ble Supreme Court in the case of the Commissioner of Income Tax-5, New Delhi Vs. Keshav Power Ltd., in SLP No.21497/2019 dated 16.08.2019 reported in 2019 (8) TMI 811 (SC) has also applied the Circular No.17/2019 dated 08.08.2019 has dismissed the appeal holding as follows:

"Since the tax effect involved in the matter is less than Rs.2/- crores, going by the latest circular issued by the CBDT, we see no reason to interfere in this matter. The Special Leave Petition is dismissed, leaving all the questions of law open".

9. The Learned Commissioner (DR) submits liberty may kindly be given to point out, upon necessary further verifications, and to seek recall the dismissal of appeals and restoration of the appeals in the cases (i) in which it can be demonstrated that the appeals are covered by the exceptions, and (ii) which are inadvertently included in this bunch of appeals, wherein the tax effect, in terms of the CBDT Circular (supra), exceeds Rs.50,00,000/-. None opposes this prayer; we accept the same. We make it clear that the appellants shall be at liberty to point out the cases which are wrongly included in the appeals so summarily dismissed, either owing to wrong computation of tax effect or owing to such cases being covered by the permissible exceptions or for any other reason, and we will take appropriate remedial steps in this regard.

10. In the circumstances, respectfully following the principles laid down by the Hon"ble Supreme Court in the case of Commissioner of Income Tax-5, New Delhi Vs. Keshav Power Ltd., referred to supra and in the light of the above discussions, all the appeals filed by the Revenue are found to be non-maintainable.

11. In the result, all the appeals filed by the Revenue are dismissed.

Order pronounced on the 09th day of September, 2019 in Chennai.

Sd/-

(इंटूरी रामा राव)

(INTURI RAMA RAO)

लेखा सदस्य/**ACCOUNTANT MEMBER**

Sd/-

(धुव्वुरु आर.एल. रेड्डी)

(DUVVURU R.L.REDDY)

न्यायिक सदस्य/**JUDICIAL MEMBER**

चेन्नई/Chennai,

दिनांक/Dated: 09th September, 2019.

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