

**IN THE INCOME TAX APPELLATE TRIBUNAL, "H" BENCH MUMBAI
BEFORE SHRI PAWAN SINGH, JUDICIAL MEMBER AND SHRI
MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER
ITA No. 999/Mum/2018 for Assessment Years: 2014-15**

ACIT)-16(2), Room No. 440, 4 th Floor, Aayakar Bhavan, M.K. Road, Mumbai-400020.	Vs	M/s Kanga & Company, Ready Money Mansion, 1 st Floor, 43, Veer Nariman Road, Fort, Mumbai- 400023. PAN : AAAPK9525E
(Appellant/Revenue)		(Respondent/Assessee)

Assessee by :	Shri Jitendra Jain, Advocate with Shri Bharat D. Damodar (AR)
Respondent by :	Shri S. Michael Jerald (DR)

**Date of Hearing : 19/09/2019
Date of Pronouncement: 19/09/2019**

**Order under section 254(1) of Income Tax Act
PER PAWAN SINGH, JUDICIAL MEMBER:**

1. This appeal by revenue under section 253 of Income Tax Act is directed against the order of Id. Commissioner of Income Tax (Appeals)-5, [CIT(A)], Mumbai dated 22.12.2017 for Assessment Year 2014-15.
2. At the outset of hearing, the Id. Authorized representative (AR) of the assessee submits that the tax effect involved in the present appeals is only of Rs. 24,17,869/- which is less than the monetary limit prescribed by CBDT in its Circular No.17/2019 dated 8th August 2019, therefore, the appeal is liable to be dismissed. The Id. AR further submits that even the ground of appeal raised by revenue is covered in favour of assessee by the order of Tribunal for A.Y. 1989-90 in ITA No. 9170/Bom/1992 dated 23.04.2007, A.Y. 1993-94 in ITA No. 1253/Mum/2014 dated 08.04.2007, A.Y. 2006-07 in ITA No. 193/Mum/2010 dated 08.04.2011, A.Y. 2007-08 in ITA No. 1042/Mum/2011 dated 18.06.2013, A.Y. 2008-09 in ITA No. 3510/Mum/2012 dated 14.06.2013 and A.Y. 2009-10 in ITA No.

6088/Mum/2012 dated 18.12.2013 and decision of Hon'ble jurisdictional High Court in A.Y. 2001-02, 2008-09 & 2009-10 dated 19.06.2009, 01.02.2016 & 0-1.02.2017 in ITA No. 860 of 2009, ITA No. 2277 of 2013 & ITA No. 1422 of 2014 respectively.

3. On the other hand, the Id. Departmental Representative (DR) for the revenue after going through the grounds of appeal fairly submits that the tax effect involved in the present appeals is less than the monetary limit of tax effect fixed by CBDT circular.
4. Considering the submissions of both the Id. representatives of the parties, we find that tax effect involved in the present appeal is less than the monetary limit of Rs. 50,00,000/- fixed by CBDT Circular No. 17/2019 dated 8th August 2019, therefore, the appeal of revenue is dismissed. Even on merit, we have seen that the Id. CIT(A) while granting relief to the assessee followed the order of Hon'ble Bombay High Court in ITA No. 860 of 2009 in CIT vs. M/s Kanga & Company A.Y. 2001-02. Therefore, the appeal of revenue is dismissed due to tax effect as well as the same is covered by the decision of Hon'ble High Court wherein payment to ex-partner was allowed as allowable expenditure under section 37 of the Act.
5. In the result, appeal of the revenue is dismissed.

Order pronounced in the open court on this 19/09/2019.

Sd/-

Sd/-

(MANOJ KUMAR AGGARWAL)
ACCOUNTANT MEMBER

(PAWAN SINGH)
JUDICIAL MEMBER

Mumbai, Date: 19.09.2019

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Copy forwarded to:

1. Appellant
2. Respondent
3. CIT

4. CIT(Appeals)
5. DR: ITAT

BY ORDER

**Assistant Registrar
ITAT Mumbai**