

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

श्री जॉर्ज माथन, न्यायिक सदस्य एवं
श्री इंटूरी रामा राव, लेखा सदस्य के समक्ष

BEFORE SHRI GEORGE MATHAN, JUDICIAL MEMBER AND
SHRI INTURI RAMA RAO, ACCOUNTANT MEMBER

Sl. No.	ITA No.	Assessment year	Appellant	Respondent
1 2 3 4	1558/chny/2008 1562/chny/2008 1563/chny/2008 1564/chny/2008	1986-87 1992-93 1993-94 1994-95	ACIT, LARGE TAXPAYER UNIT, Chennai-600 101	M/s.Brakes India Ltd, Padi,Chennai 600 050. PAN AAACB 2533 Q
5.	472/chny/2019	2014-15	ACIT, Non Corporate Ward-14(1), Chennai.	M/s.United Industries., New No.66,Vanniar Street, Choolaimedu, Chennai 600094. PAN AADFU 7574 Q
6	235/chny/16	2009-10	DCIT, Corporate circle-2 Madurai.	M/s.Shri Ayyanar Spinning & Weaving Mills Ltd., Mallanginar,Virudhunagar. PAN AADCS 8768 B
7	1640/chny/2018	2013-14	DCIT, Corporate Circle-2, 63-A, Race Course road, Coimbatore.641 018	M/s.Talent Engineering (Cbe) Private Ltd., 43,Vivekanandha Road, Coimbatore. 641 009 PAN AACCT 5120 F
8	2989/Chny/2018	2009-10	ACIT, Corporate Circle-2, 63-A,Race Course road, Coimbatore.641 018	M/s.Chandra Textile Pvt. Ltd., 1318,Avinashi Road, Peelamedu, Coimbatore 641 004 PAN AABCC 2145 G
9	3148/Chny/2017	2009-10	ACIT, Central Circle-2, Investigation wing, Chennai 600 034.	M/s.Assured Best Care Hospital P. Ltd., 1,Malligai Salai, Annamalai Nagar, Trichy 620 018 PAN AECA 1172 A
10 11 12	2631/Chny/2018 2633/Chny/2018 2634/Chny/2018	2011-12 2013-14 2014-15	ACIT, Corporate Circle-2,Income Tax Building, Race Course road, Coimbatore.641 018	M/s.Sakthi Constructions, 102,2 nd Floor, Sheikh Dawood Street ,Erode 638 001. PAN ABNFS 9165 J

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13	2264/Chny/2019	2013-14	ACIT,Central circle-1 Madurai.	Dr.S.Gurushankar, 2/214,Uthangudi,Melur Road, Madurai 625 107 PAN ADSPG 8325 M
14	1635/Chny/2019	2006-07	ACIT, Central Circle-2(1), Investigation Wing, Chennai 600 034.	M/s.Cavinkar Pvt Ltd., (Formerly M/s.Trends in vogue Pvt Ltd.) 12,Cenatoph Road, Chennai 600 018. PAN AABCK 2815 K
15	1636/Chny/2019	2015-16	DCIT, Corporate Circle-1(1), Chennai 600 034.	M/s.AVT Natural Products Ltd., Rukmini Lakshmi pathy Salai, Egmore,Chennai 600 008. PAN AAACA 3171 B

अपीलार्थी की ओर से/ Appellant by : Mr.Arunraj,JCIT,D.R

प्रत्यर्थी की ओर से /Respondent by :

Sl.No. as mentioned in cause Title	
Sl.No.	Name of Counsel
1 to 4	Mr.Saroj Kumar Parida , Advocate
5	Mr.Saroj Kumar Parida , Advocate
6	Mr.S.Sridhar,Advocate
7	Smt.Nithya Sankarau,CA
8	None
9	Mr.S.Sridhar,Advocate
10 to 12	Mr.S.Sridhar,Advocate
13	Mr.B.Ramakrishnan,CA
14	Smt.Nithya Sankarau, CA
15	Mr.Srinath, C.A

सुनवाई की तारीख/Date of Hearing : 26-09-2019

घोषणा की तारीख /Date of Pronouncement : 26-09-2019

आदेश / ORDER

PER BENCH:

These fifteen (15) appeals are filed by various Assessing Officers, 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. 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.

3. In view of the above factual background and the concession by this CBDT circular, all these appeals must be dismissed as withdrawn and the related cross objections must be dismissed as infructuous.

4. 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.

5. 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:

S.No.	Appeals/SLPs in Income-tax matters	Monetary Limit (Rs.)
1	Before Appellate Tribunal	50,00,000
2	Before High Court	1,00,00,000
3	Before Supreme Court	2,00,00,000

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

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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.”

6. 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.”

7. 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".

8. 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.

9. 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

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of the above discussions, all the appeals filed by the Revenue are found to be non-maintainable.

10. In the result, all these fifteen(15) appeals filed by the Revenue are dismissed as withdrawn.

Order pronounced in the open Court after conclusion of hearing on the 26th September, 2019 in Chennai.

Sd/-
(इंटूरी रामा राव)

(INTURI RAMA RAO)
लेखा सदस्य/**ACCOUNTANT MEMBER**

Sd/-
(जॉर्ज माथन)

(GEORGE MATHAN)
न्यायिक सदस्य/**JUDICIAL MEMBER**

चेन्नई/Chennai,

दिनांक/Dated: 26th September, 2019.

K S Sundaram

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