

IN THE INCOME TAX APPELLATE TRIBUNAL, “G” BENCH MUMBAI
BEFORE SHRI PAWAN SINGH, JUDICIAL MEMBER AND
SHRI S. RIFAUR RAHMAN, ACCOUNTANT MEMBER
ITA No. 7201/Mum/2018 for Assessment Years: 2015-16

DCIT-14(3)(2), Room No. 482(1), 4 th Floor, Aayakar Bhavan, M.K. Road, Marine Lines, Mumbai-400020.	Vs	M/s Sundaram Multipap Limited 5/6, Papa Industrial Estate, Suren Road, Andheri (East), Mumbai-400093. PAN : AADCS7829K
(Appellant)		(Respondent)

Appellant by :	Shri V. Vinod Kumar (Sr. DR)
Respondent by :	Miss. Poonam naram(CA)

Date of Hearing : 20/01/2020
Date of Pronouncement : 20/01/2020

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)-22, [CIT(A)], Mumbai dated 25.09.2018 for Assessment Year 2015-16.
2. At the outset of hearing, the Id. Authorized representative (AR) of the assessee submitted that the tax effect involved in the present appeal is only Rs. 28,37,362/-, which is below the monetary limit of Rs.50,00,000/- prescribed by CBDT in its Circular No.17/2019 dated 8th August 2019. The Id. AR of the assessee further submits that admittedly the tax effect involved in the present appeal is less than Rs. 50,00,000/-. Therefore, the present appeal is squarely covered by the CBDT Circular No. 17/2019 dated 8th August 2019 and is liable to be dismissed. The Id. AR for the assessee also

filed working of tax effect of Rs. 28,37,362/- , copy of which was supplied to ld DR for the revenue. The ld. AR of the assessee also submitted that tax effect of Rs. 28,37,362/- is otherwise mentioned in para-10 of Form 36 (Appeal Form).

3. On the other hand, the ld. Departmental Representative (DR) for the revenue after going through the working of the tax fairly agreed that the tax effect involved in the present appeal is less than the monetary limit of tax effect fixed by CBDT in a recent circular.
4. We have considered the submissions of the parties and perused the order of the lower authorities. The assessing officer while passing the assessment order made disallowance under section 14A of Rs. 91,82,400/-. On appeal before ld CIT(A) the assessee stated that no exempt income was earned during the year thus, no disallowances under section 14A is warranted. The ld CIT(A) after considering the submission of the assessee that no exempt income was earned by assessee during the relevant period, thus, no disallowance under section 14A is attracted and deleted the entire disallowance.
5. Considering the submissions of both the ld. 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 being not maintainable. Even on merit, we find that when no exempt income was

earned by assessee, no disallowance under section 14A for the year under consideration is warranted.

6. In the result, appeal of the revenue is dismissed due to tax effect as well as on merit.
7. In the result, appeal of the revenue is dismissed.

Order pronounced in the open court on this 20/01/2020.

Sd/-

**(S. RIFAUR RAHMAN
ACCOUNTANT MEMBER**

Mumbai, Date: 20.01.2020

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Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-

**(PAWAN SINGH)
JUDICIAL MEMBER**

BY ORDER

Assistant Registrar
ITAT Mumbai