

*IN THE INCOME TAX APPELLATE TRIBUNAL
RANCHI BENCH "SMC" RANCHI*

Before **Shri S.S, Godara, Judicial Member**

ITA Nos.21 to 23 & 25/Ran/2019
&
C.O. No.05 to 07 & 09/Ran/2019
(a/o ITA Nos.21-23 & 25/Ran/2019)
Assessment Years: 2007-08 &
2008-09

Income Tax Officer Ward-1(5), 1 st Floor, Aaykar Bhawan, L.C. Road, Dhanbad-826001 Manoj Kumar Singh Supervisors Quarters, Jamadoba P.O. Jalgora, Dhanbad-828110 [PAN No.ALDPS 8391 J]	<u>बनाम /</u> V/s.	Shri Manoj Kumar Singh Supervisors Quarters, Jamadoba, P.O. Jealgora, Dhanbad Income Tax Officer Ward-1(5), 1 st Floor, Aaykar Bhawan, L.C. Road, Dhanbad-826001
अपीलार्थी /Appellant/ प्रतयाक्षेपक/Co-objector	..	प्रत्यर्थी /Respondent

आवेदक की ओर से/By Assessee	Shri Ashish Kumar Shekhar, Advocate
राजस्व की ओर से/By Revenue	Smt. Nisha Oraon Singhmarr, JCIT-DR
सुनवाई की तारीख/Date of Hearing	04-03-2020
घोषणा की तारीख/Date of Pronouncement	04-03-2020

आदेश /O R D E R

(Oral)

These four Revenue's appeals ITA Nos. 21-23 and 25/Ran/2019 as many cross objection C.O Nos. 05-07 & 09/Ran/2019 arise from Commissioner of Income Tax(Appeals) Jharkhand's separate orders in assessments framed u/s 147 as well as impugned penalty(ies) 271D/271E of the Income Tax Act, 1961; in short 'the Act'; respectively.

2. It is seen at the outset that the tax effect on the disputed additions before me is less than Rs. 50 lacs as prescribed in the CBDT's latest **Circular No17/2019** dated 08.08.2019. It will be pertinent to reproduce the relevant portion of the said Circular as follows:-

“2. As a step toward 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>S.No.</i>	<i>Appeals/SLPs in Income-tax matters</i>	<i>Monetary Limit (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>

3.1 I find that intention behind the Circular No17/2019 dated 08.08.2019 needs to be understood in the following perspective:-

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-à-vis where composite order for more than one assessment year 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, 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 assessments 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/judgment involves more than one assessee, each assessee shall be dealt with separately.”*

3.2. On perusal of the Circular No. 17/2019 dated 08.08.2019 and the materials available on record, I do not see these case(s) falling under any of the exceptions contemplated in the said circular *per se*. I also find that this circular makes it very clear that the revised monetary limits shall apply retrospectively to pending appeals as well. *Hon'ble apex court in Commissioner of Customs vs Indian Oil Corporation Ltd reported in 267 ITR 272 (SC)* has settled the law that CBDT's circulars are very much

binding on revenue authorities. I thus hold that these Revenue's appeal(s) raising sole issue deserve to be dismissed in terms of low tax effect. I make it clear that it shall very much open for the Revenue to seek necessary rectification in case it is found that any of the appeal involve operations of exception clauses in the tax effect circular as per law.

4. Learned counsel in assessee's CO Nos.05-07 & 09/Ran/2019 does not wish to press the same before me. These cross objections are dismissed for non prosecution.

5. These Revenue's appeal(s) **ITA No.21-23 & 25/Ran/2019** are dismissed for involving lower than the prescribed minimum tax effect whereas assessee's **CO Nos.05-07 & 09/Ran/2019** therein appeals are dismissed for non prosecution.

Order pronounced in open court at the close of hearing on Wednesday, 4th March, 2020

Sd/-
(न्यायिक सदस्य)
(S.S. Godara)
Judicial Member

*Dkp/Sr.PS

दिनांक:- 04/03/2020 रांची

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

1. आवेदक/Assessee-Shri Manoj Kr Singh Supervisors Quarters, Jamadoba P.O. Jealgora, Dhanbad-828110
2. राजस्व/Revenue-Income Tax Officer, Wd-1(5), 1st Floor, Aaykar Bhawan, L.C. Road, Dhanbad-826001
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त- अपील / CIT (A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण रांची / DR, ITAT, Ranchi
6. गार्ड फाइल / Guard file.

/True Copy/

By order/आदेश से,

Sr. Private Secretary/P.S (on Tour)
आयकर अपीलीय अधिकरण, रांची ।