

आयकर अपीलीय अधिकरण न्यायपीठ, नागपुर में ।
IN THE INCOME TAX APPELLATE TRIBUNAL BENCH, NAGPUR

(Through Virtual Hearing at Raipur)

BEFORE SHRI RAVISH SOOD, JUDICIAL MEMBER
AND
SHRI JAMLAPPA D BATTULL, ACCOUNTANT MEMBER

आयकर अपील सं. / ITA No. 326/NAG/2017

निर्धारण वर्ष / Assessment Year : 2010-11

The Income Tax Officer,
Ward-3, Amravati

.....अपीलार्थी / Appellant

बनाम / V/s.

Shri Govind Radhakisan Lohiya
Lohiya Niwas, Near Dr. Vyas Hospital,
Mudholkar Peth, Amravati-444 601
PAN: AAEPL7327D

.....प्रत्यर्थी / Respondent

Assessee by : Shri Ryan Saldhana, Advocate

Revenue by : Shri Agnes P Thomas, CIT-DR

सुनवाई की तारीख / Date of Hearing :14.02.2022

घोषणा की तारीख / Date of Pronouncement :14.02.2022

आदेश / ORDER**PER RAVISH SOOD, JM:**

The present appeal filed by the Revenue is directed against the order passed by the CIT(Appeals)-1, Nagpur, dated 29.06.2017, which in turn arises from the order passed by the A.O dated 29.03.2016 under Sec. 143(3) r.w.s. 147 of the Income-tax Act, 1961 (for short 'the Act') for assessment year 2010-11.

2. Central Board of Direct Taxes (CBDT) vide Circular No. 17/2019 dated 08.08.2019 has amended Circular No. 3/2018 dated 11.07.2018 for further enhancement of monetary limit for filing of appeals by the Department before the ITAT, High Courts and SLPs/Appeals before Supreme Court as measures for reducing litigation.

3. CBDT *vide* Circular No. 3/2018 dated 11.07.2018 has specified that appeals shall not be filed before the Income Tax Appellate Tribunal (ITAT) in cases where the tax effect does not exceed the monetary limit of Rs.20,00,000/-. For this purpose, 'tax effect' means the difference between the tax on the total income assessed and the tax that would have been chargeable had such total income been reduced by the amount of income in respect of issues against which appeal is intended to be filed. Further, 'tax effect' shall be taxes including applicable surcharge and cess.

However, the tax will not include any interest thereon, except where chargeability of interest itself is in dispute. In case the chargeability of interest is the issue under dispute, the amount of interest shall be the 'tax effect'. In cases where returned loss is reduced or assessed as income, the 'tax effect' would include notional tax on disputed additions. In case of penalty order, the 'tax effect' will mean quantum of penalty deleted or reduced in the order to be appealed against.

At para 13 of the above Circular, it has been mentioned that:

"13. This Circular will apply to SLPs/appeals/cross objection/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."

4. As a step towards further management of litigation, CBDT *vide* Circular No. 17/2019, dated 08.08.2019 has fixed the monetary limit for filing of appeals before ITAT at Rs.50,00,000/-.

5. In the instant appeal filed by the Department, it was averred by the ld. A.R that the 'tax effect' therein involved was below the monetary limit of Rs.50,00,000/-. The said fact was brought to the notice of the ld. Departmental Representative (for short 'D.R') who did not controvert the same.

6. With the above observations the appeal involving a 'tax effect' of less than Rs.50,00,000/- is dismissed.

7. In the result, appeal of the Revenue is dismissed in terms of our aforesaid observations.

Order pronounced on 14th day of February, 2022.

Sd/-
JAMLAPPA D. BATTULL
ACCOUNTANT MEMBER

Sd/-
RAVISH SOOD
JUDICIAL MEMBER

रायपुर/ RAIPUR ; दिनांक / Dated : 14th February, 2022
SB

आदेश की प्रतिलिपि अग्रेषित / Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant.
2. प्रत्यर्थी / The Respondent.
3. The CIT(Appeals)-1, Nagpur
4. The Pr. CIT-1, Nagpur
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण,
नागपुर/DR, ITAT, Nagpur.
6. गार्ड फाइल / Guard File.

आदेशानुसार / BY ORDER,

// True Copy //

निजी सचिव / Private Secretary
आयकर अपीलीय अधिकरण, रायपुर / ITAT, Raipur.

		Date	
1	Draft dictated on	14.02.2022	Sr.PS/PS
2	Draft placed before author	17.02.2022	Sr.PS/PS
3	Draft proposed and placed before the second Member		JM/AM
4	Draft discussed/approved by second Member		AM/JM
5	Approved draft comes to the Sr. PS/PS		Sr.PS/PS
6	Kept for pronouncement on		Sr.PS/PS
7	Date of uploading of order		Sr.PS/PS
8	File sent to Bench Clerk		Sr.PS/PS
9	Date on which the file goes to the Head Clerk		
10	Date on which file goes to the A.R		
11	Date of dispatch of order		