

**IN THE INCOME TAX APPELLATE TRIBUNAL
MUMBAI BENCH "F" MUMBAI**

**BEFORE SHRI OM PRAKASH KANT (ACCOUNTANT MEMBER)
AND
SHRI RAHUL CHAUDHARY (JUDICIAL MEMBER)**

**ITA No. 3215/MUM/2023
Assessment Year: 2014-15**

DCIT-17(1),
Room No. 117, 1st floor,
G-Block, Kautilya Bhavan,
Bandra Kurla Complex,
Mumbai-400051.

Appellant

Assessee by
Revenue by

Vs.

Jasvantlal Girdharlal Shah,
Office No. 1109 P.J. Tower, Dalal
Street, Fort,
Mumbai-400 001.

**PAN NO. AAQPS 0732 B
Respondent**

: Mr. Sanjay Shah
: Ms. Rajeshwari Menon, Sr. DR

Date of Hearing : 24/04/2024
Date of pronouncement : 30/04/2024

ORDER

PER OM PRAKASH KANT, AM

This appeal by the Revenue is directed against order dated 11.07.2023 passed by the Ld. Commissioner of Income-tax (Appeals) – National Faceless Appeal Centre, New Delhi [in short ‘the Ld. CIT(A)’] for assessment year 2014-15, raising following grounds:



1. *"Whether, on the facts and in circumstance of the case and in law, the Ld. CIT (A) has erred in deleting the addition of Rs. 1,67,85,221/- on account of bad debts without appreciating the fact that the cost of stock not received cannot be treated as bad debts in view of the fact that the matter is still under investigation by Economic Offences Wing.*"

2. *"Whether, on the facts and in circumstance of the case and in law, the Ld. CIT (A) has failed to consider the fact that the bad debts written off were not offered to tax either in the year under consideration or earlier years, and hence the conditions laid down in section 36(2) of the Income Tax Act, 1961 are not satisfied.*

2. At the outset, the Ld. counsel for the assessee submitted that tax effect involved in the appeal preferred by the Revenue is below the threshold limit of Rs.50,00,000/- prescribed by the Central Board of Direct Taxes (CBDT) for filing appeal before the Income-tax Appellate Tribunal (ITAT) as specified in (CBDT), Circular No. 3/2018 dt. 20/08/2018

3. The Ld. Counsel has filed a detailed calculation of the tax payable computed by the Assessing Officer. We find that total tax payable on the assessed income by way of impugned assessment order is only Rs.49,13,305/- which also include the tax payable on the returned income and therefore, evidently, the tax effect involved in the issue in dispute is below the threshold limit of Rs.50,00,000/- prescribed by the Circular No. 3/2018 for filing appeal before the Tribunal.

4. The Ld. Departmental Representative (DR) also could not controvert the tax computation presented by the Ld. counsel for the assessee. In the circumstances, we are of the opinion that this



appeal filed by the Revenue was not required to be filed following the CBDT Circular and therefore, same is dismissed as infructuous.

5. In the result, the appeal of the Revenue is dismissed.

Order pronounced in the open Court on 30/04/2024.

**Sd/-
(RAHUL CHAUDHARY)
JUDICIAL MEMBER**

**Sd/-
(OM PRAKASH KANT)
ACCOUNTANT MEMBER**

Mumbai;
Dated: 30/04/2024
Rahul Sharma, Sr. P.S.

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent.
3. CIT
4. DR, ITAT, Mumbai
5. Guard file.

//True Copy//

BY ORDER,
(Assistant Registrar)
ITAT, Mumbai