

IN THE INCOME TAX APPELLATE TRIBUNAL

NAGPUR BENCH, NAGPUR

BEFORE SHRI V. DURGA RAO, JUDICIAL MEMBER AND

SHRI K.M. ROY, ACCOUNTANT, MEMBER

ITA no.29/Nag./2017

(Assessment Year : 2010-11)

Dy. Commissioner of Income Tax
Amravati Circle, Amravati

..... Appellant

v/s

Rameshwar Ratanlal Karwa (HUF)
Prop: M/s. Orson Pharmaceuticals
422/6, Mangaldas Building, 3rd Floor
20, Kitchen Garden Lane, Mumbai 400 002
PAN – AABHR0647B

..... Respondent

M.A. no.2/Nag./2020

(Arising out of ITA no.29/Nag./2017)

(Assessment Year : 2010-11)

Rameshwar Ratanlal Karwa (HUF)
Prop: M/s. Orson Pharmaceuticals
422/6, Mangaldas Building, 3rd Floor
20, Kitchen Garden Lane, Mumbai 400 002
PAN – AABHR0647B

..... Applicant
(Original Appellant)

v/s

Dy. Commissioner of Income Tax
Amravati Circle, Amravati

..... Respondent
(Original Respondent)

Assessee by : Shri Mahavir Atal
Revenue by : Shri Abhay Y. Marethe

Date of Hearing – 12/06/2024

Date of Order – 12/06/2024

ORDER

PER V. DURGA RAO, J.M.

The present appeal has been filed by the Revenue challenging the impugned order dated 07/11/2016, passed by the learned Commissioner of Income Tax (Appeals)-1, Nagpur, [*learned CIT(A)*], for the assessment year 2010-11.

2. Following grounds have been raised by the assessee:–

"1. On the facts and circumstances of the case and in law, the Ld. CIT(Appeals) has erred in deleting the addition of Rs. 15,82,716/- without taking into account the fact that similar claim was found to be bogus by the AO in A. Yrs 2011-12 and 2012-13.

2. On the facts and circumstances of the case and in law, the Ld. CIT(Appeals) has erred in so holding without considering the fact that disallowance made by the AO could not be said to be unreasonable.

3. The Ld. CIT(Appeals) has erred in recording that appeal to Honble ITAT has not been made by the Department against the decision of the learned CIT(Appeals) for A.Y.2011-12 which has been relied on by the learned CIT(Appeals).

4. Any other ground which may be raised during hearing with the permission of Hon'ble ITAT."

3. At the outset, the leaned Counsel appearing for the assessee submitted that the tax effect on the amount disputed by the Revenue is below the revised monetary limit of ₹ 50 lakh applicable to appeals before the Tribunal, as per CBDT Circular no.17 of 2019, dated 08/08/2019. Further, he submitted, none of the exceptions provided in CBDT Circular no.3 of 2018, dated 11/07/2018 r/w Circular F. no.279/Misc./142/2007–ITJ–(Pt) dated 20/08/2018, would apply to Revenue's appeal. Thus, the Counsel for the assessee submitted that Revenue's appeal being covered under the aforesaid Circulars is not maintainable.

4. The learned Departmental Representative agreed that the tax effect on the amount disputed by the Revenue is below the monetary limit of ₹ 50 lakh.

5. Having considered rival submissions and perused the material on record, we are of the view that the tax effect on the amount disputed by the Revenue in the present appeal is below the revised monetary limit of ₹ 50 lakh as per CBDT Circulars cited supra. It also stands clarified by the CBDT that the revised monetary limit of ₹ 50 lakh as per the aforesaid CBDT Circulars would also apply to all pending appeals. In view of the aforesaid, Revenue's appeal

deserves to be dismissed. However, the Revenue is given liberty to seek recall of this order if, at a later point of time, it is found that the appeal falls under any of the exceptions provided in the Circulars referred to above.

6. In the result, appeal filed by the Revenue is dismissed.

7. Insofar as the assessee's Miscellaneous Application is concerned, the learned Authorised Representative submitted that he wish to withdraw the M.A. Accordingly, the present M.A. is liable to be dismissed as withdrawn.

8. In the result, M.A. filed by the assessee is dismissed as withdrawn.

9. To sum up, appeal as well as M.A. filed by the assessee are dismissed.

Order pronounced in the open Court on 12/06/2024

Sd/-
K.M. ROY
ACCOUNTANT MEMBER

Sd/-
V. DURGA RAO
JUDICIAL MEMBER

NAGPUR, DATED: 12/06/2024

Copy of the order forwarded to:

- (1) *The Assessee;*
- (2) *The Revenue;*
- (3) *The PCIT / CIT (Judicial);*
- (4) *The DR, ITAT, Nagpur; and*
- (5) *Guard file.*

Pradeep J. Chowdhury
Sr. Private Secretary

True Copy
By Order

Sr. Private Secretary
ITAT, Nagpur