

IN THE INCOME TAX APPELLATE TRIBUNAL  
MUMBAI BENCH "I", MUMBAI

BEFORE SHRI G.S.PANNU, ACCOUNTANT MEMBER  
AND

SHRI AMARJIT SINGH, JUDICIAL MEMBER  
ITA No. 5310 /MUM/2015  
(Assessment Year : 2011-12)

The ACIT 16(1),  
R.No.439, 4<sup>th</sup> Floor,  
Aaykar Bhavan, M.K.Road,  
Mumbai -400 020 ... Appellant

Vs.

Shri Karan Yash Johar,  
29, Jain Arcade, 2<sup>nd</sup> Floor, 14<sup>th</sup> Road,  
Khar (West), Mumbai 400 052  
PAN: AAAPJ7657A .... Respondent

Appellant by : Shri Deepak Ripote  
Respondent by : Shri Mital Jasolia

Date of hearing : 21/07/2016  
Date of pronouncement : 29/07/2016

**ORDER**

PER G.S.PANNU, A.M:

The captioned appeal filed by the Revenue pertaining to assessment year 2011-12 is directed against an order passed by CIT(A)-52, Mumbai dated 07/08/2015, which in turn arises out of an order passed by the Assessing Officer under section 143(3) of the Income Tax Act, 1961 (in short 'the Act') dated 20/03/2014023 .

2. The CBDT vide Circular No.21/2015 dated 10/12/2015 has revised the monetary limits for filing of appeals by the Department before the Tribunal retrospectively. The tax effect in dispute in the captioned

appeal is stated to be below the monetary limit of Rs.10.00 lacs specified in the CBDT Circular dated 10/12/2015 (supra).

3. In this background, Ld. Departmental Representative appearing for the Revenue was required to state his position. He has not brought out any material to suggest that the captioned appeal is protected by any of the circumstances prescribed in Para-8 of the Circular dated 10/12/2015 (supra) and as a consequence such appeal is liable to be treated as withdrawn/not pressed. The relevant portion of the circular dated 10/12/2015 (supra) is reproduced below:-

*" 3.Henceforth appeals/SLPs shall not be filed in cases where the tax effect does not exceed the monetary limits given hereunder:-*

<i>Sl. No.</i>	<i>Appeals in Income-tax matters</i>	<i>Monetary Limits (In Rs.)</i>
<i>1.</i>	<i>Before Appellate Tribunal</i>	<i>10,00,000</i>
<i>2.</i>	<i>Before High Court</i>	<i>20,00,000</i>
<i>3.</i>	<i>Before Supreme Court</i>	<i>25,00,000</i>

.....

*4. 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 the issues against which appeal is intended to be filed (hereinafter referred to as "disputed issues"). 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 orders, the tax effect will mean quantum of penalty deleted or reduced in the order to be appealed against.*

.....

*8. Adverse judgments relating to the following issues should be contested on merits notwithstanding that the tax effect entailed is less than the monetary limits specified in para 3 above or there is no tax effect:*

- (a) Where the Constitutional validity of the provisions of an Act or Rule are under challenge, or*
- (b) Where Board's order, Notification, Instruction or Circular has been held*

*to be illegal or ultra vires, or*

- (c) *Where Revenue Audit objection in the case has been accepted by the Department, or*
- (d) *Where the addition relates to undisclosed foreign assets/ bank accounts.*

9. *The monetary limits specified in para 3 above shall not apply to writ matters and direct tax matters other than Income tax. Filing of appeals in other Direct tax matters shall continue to be governed by relevant provisions of statute & rules. Further, filing of appeal in cases of Income Tax, where the tax effect is not quantifiable or not involved, such as the case of registration of trusts or institutions under section 12A of the IT Act, 1961, shall not be governed by the limits specified in para 3 above and decision to file appeal in such cases may be taken on merits of a particular case.*

10. *This instruction will apply retrospectively to pending appeals and appeals to be filed henceforth in High Courts/ Tribunals. Pending appeals below the specified tax limits in para 3 above may be withdrawal not pressed. Appeals before the Supreme Court will be governed by the instructions on this subject, operative at the time when such appeal was filed."*

**(underlined for emphasis by us)**

4. Without going into the merit of the issues raised in the captioned appeal, this appeal is deemed to be withdrawn/not pressed as it's filing is in contravention of the CBDT Circular dated 10/12/2015(supra).

6. In conclusion, by applying the CBDT Circular dated 10/12/2015 (supra), the captioned appeal of the Revenue is dismissed as withdrawn/not pressed.

Order pronounced in the open court on 29/07/2016

Sd/-  
(AMARJIT SINGH)  
JUDICIAL MEMBER

Sd/-  
(G.S. PANNU)  
ACCOCUNTANT MEMBER

Mumbai, Dated 29/07/2016  
Vm, Sr. PS

**Copy of the Order forwarded to :**

1. The Appellant ,
2. The Respondent.
3. The CIT(A)-
4. CIT
5. DR, ITAT, Mumbai
6. Guard file.

//True Copy//

BY ORDER,

(Dy./Asstt. Registrar)  
**ITAT, Mumbai**