

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'H', NEW DELHI**

**BEFORE SHRI H.S. SIDHU, JUDICIAL MEMBER  
AND  
SHRI L.P. SAHU, ACCOUNTANT MEMBER**

**ITA Nos. 5638 & 5639/Del/2015  
Assessment Year: 2006-07 & 2007-08**

Dy. Commissioner of Income Tax, vs. CC-31, Room No. 319, E-2, ARA Centre, Jhandewalan Extn., New Delhi	M/s Gurudev Financial Services (P) Ltd., 102, Harsha House, Karampura Commercial Complex, New Delhi – 15 (PAN: AAACG0278K)
<b>(APPELLANT)</b>	<b>(RESPONDENT)</b>

**AND**

**CROSS OBJECTION NOS. 326 & 327/Del/2015  
(IN ITA NO. 5638 & 5639/DEL/2015)  
Assessment Year: 2006-07 & 2007-08**

M/s Gurudev Financial Services (P) vs. Ltd., 102, Harsha House, Karampura Commercial Complex New Delhi – 15 (PAN: AAACG0278K)	Dy. Commissioner of Income Tax CC-31, Room No. 319, E-2, ARA Centre, Jhandewalan Extn., New Delhi
<b>(APPELLANT)</b>	<b>(RESPONDENT)</b>

Department by : Sh. Ravi Jain, CIT(DR)  
Respondent by : Sh. Amit Goel, CA

**Date of Hearing : 03-02-2016  
Date of Order : 05-02-2016**

**ORDER**

**PER H.S. SIDHU, J.M.**

The Department has filed these Appeals and Assessee has filed these Cross Objections which are emanate from the respective orders of the Ld. CIT(A)-30, New Delhi pertaining to assessment years 2006-07 & 2007-08. Since the issues involved in these appeals and cross objections are identical and similar, hence, they are being heard together and are being disposed of by this common order for the sake of convenience.

2. The grounds raised in both the revenue's appeals pertaining to assessment year 2006-07 & 2007-08 reads as under:-

1. On the facts and in the circumstances of the case, the Ld. CIT(A) has erred in law and on facts in deleting addition made u/s. 68 of the Income Tax Act which is wrong and bad in law.
2. On the facts and in the circumstances of the case, the Ld. CIT(A) has erred in law and on facts in deleting the disallowance of administrative expenses which is wrong and bad in law.
3. The grounds of appeal are without prejudice to each other.
4. The appellant craves leave to add, amend or alter or forego any ground(s) of appeal either before or at the time of hearing of the appeal.

3. At the threshold, Ld. Authorised Representative of the assessee stated that in both the Appeals filed by the Revenue the tax effect is below the prescribed limit, hence, both the Revenue's Appeals may be dismissed.

3.1 Ld. DR did not controvert the submissions of the Ld. Counsel of the assessee.

4. We have heard both the parties and perused the records, we find that the tax effect in both the Revenue's Appeal is less than Rs.10,00,000/-, therefore, the Department's Appeals are not maintainable, in view of the Circular No. 21/2015 dated 10<sup>th</sup> December, 2015 issued vide F.No. 279/Misc. 142/2007-ITJ (Pt.) by the CBDT. For the sake of convenience, the relevant para nos. 3 & 10 of the aforesaid CBDT's Circular are reproduced as under:-

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

<i>S No</i>	<i>Appeals in Income-tax matters</i>	<i>Monetary Limit (in Rs)</i>
<i>1</i>	<i>Before Appellate Tribunal</i>	<i>10,00,000/-</i>

2	<i>Before High Court</i>	20,00,000/-
3	<i>Before Supreme Court</i>	25,00,000/-

*It is clarified that an appeal should not be filed merely because the tax effect in a case exceeds the monetary limits prescribed above. Filing of appeal in such cases is to be decided on merits of the 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 withdrawn/ 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.”*

5. It is not in dispute that the Board’s instruction or directions issued to the income-tax authorities are binding on those authorities, therefore, the Department should have withdrawn/ not pressed the present Appeal, in view of the aforesaid instructions since the tax effect in the instant Appeals are less than the amount of Rs. 10 lacs, prescribed in the above said CBDT’s Instructions.

6. Keeping in view the CBDT Instruction No. 21/2015 dated 10<sup>th</sup> December, 2015, we are of the view that the Revenue should have withdrawn/ not pressed the instant appeals before the Tribunal. We are also of the view that the said Instructions are applicable for the pending appeals and appeals to be filed henceforth in Tribunal. Accordingly, both the Revenue’s Appeals are dismissed.

#### **ASSESSEE’S CROSS OBJECTION**

7. As far as Assessee’s Cross Objection are concerned, the same are only supportive the Ld. CIT(A)’s orders. Since we have dismissed both the Appeals of the Revenue as aforesaid, hence, both the Cross Objections filed by the Assessee have become infructuous and dismissed as such.

8. In the result, both the Revenue's Appeals as well as both the Assessee's Cross Objections stand dismissed.

Order pronounced in the Open Court on 05/02/2016.

**Sd/-**  
**(L.P. SAHU)**  
**ACCOUNTANT MEMBER**

**Sd/-**  
**(H.S. SIDHU)**  
**JUDICIAL MEMBER**

Dated: 05/2/2016

**\*SR BHATNAGAR\***

**Copy forwarded to: -**

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR, ITAT

TRUE COPY

By Order,

**ASSISTANT REGISTRAR**