

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

**BEFORE SHRI H.S. SIDHU, JUDICIAL MEMBER
AND
SHRI J.S. REDDY, ACCOUNTANT MEMBER**

**ITA No. 2534/Del/06
Assessment Year: 2003-04**

Income Tax Officer, Ward-1 Narnaul, (APPELLANT)	vs.	Sh. Ramesh Chand, Prop. Ramesh Chand Prem Chand New Mandi, Narnaul (PAN: AAVPC6510A) (RESPONDENT)
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Appellant by : Sh. T. Vasanthan, Sr. DR
Respondent by : None

**Date of Hearing : 15-3-2016
Date of Order : 15-3-2016**

ORDER

PER H.S. SIDHU, J.M.

This appeal by the Department is directed against the Order dated 31.5.2006 of Ld. CIT(A), Rohtak pertaining to assessment year 2003-04 on the following grounds:-

- “1. On the facts and in the circumstances of the case the order of the Ld. CIT(A) is perverse in law.
2. On the facts and in the circumstances of the case the Ld. CIT(A) has erred in law in deleting the addition of Rs. 2,75,151/- made by the AO on account of purchase and sales made outside the books.
3. On the facts and in the circumstance of the case the Ld. CIT(A) has erred in law in deleting the addition of Rs. 9,25,250/- made by the AO on account of investment in the construction of house.
4. That the appellant craves for the permission to add, delete or amend the ground of appeal before or at the time of hearing of appeal.”

2. In this case, Notice of hearing to the assessee was sent by the Registered AD post, in spite of the same, assessee, nor his authorized representative appeared to prosecute the matter in dispute, nor filed any

application for adjournment. Keeping in view the facts and circumstances of the present case and the issue involved in the present Appeal, we are of the view that no useful purpose would be served to issue notice again and again to the assessee, therefore, we are deciding the present appeal *ex parte* qua assessee, after hearing the Ld. DR and perusing the records.

3. We find that Revenue in the Grounds of Appeal before the Tribunal has challenged the deletion of addition of Rs. 2,75,151/- and Rs. 9,25,250/- vide ground no. 1 & 2, as aforesaid.

4. From the above, we find that the tax effect in the Revenue's Appeal is less than Rs.10,00,000/-, therefore, the Department's Appeal is not maintainable, in view of the Circular No. 21/2015 dated 10th 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:

S No	Appeals in Income-tax matters	Monetary Limit (in Rs)
1	Before Appellate Tribunal	10,00,000/-
2	Before High Court	20,00,000/-
3	Before Supreme Court	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 Appeal is 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 10th December, 2015, we are of the view that the Revenue should have withdrawn/ not pressed the instant appeal 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, the Revenue's Appeal is dismissed.

7. In the result, Appeal filed by the Revenue Stands dismissed.

Order pronounced in the Open Court on 15/3/2016.

Sd/-

(J.S. REDDY)
ACCOUNTANT MEMBER

Sd/-

(H.S. SIDHU)
JUDICIAL MEMBER

Dated: 15/3/2016

SR BHATNAGAR

Copy forwarded to: -

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

TRUE COPY

By Order,

ASSISTANT REGISTRAR