

INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH "F": NEW DELHI  
BEFORE SHRI H.S.SIDHU, JUDICIAL MEMBER  
AND  
SHRI PRASHANT MAHARISHI, ACCOUNTANT MEMBER

ITA No. 1927 and 1928/Del/2012  
(Assessment Year: 2001-02 and 2002-03)

ACIT, Central Circle-22, New Delhi	Vs.	Accurate Transformers Ltd, 8, Local Shopping centre, IInd/ IIIrd Floor, Vardhman Siddharth Plaza, Savita Vihar, New Delhi PAN:AACCA7126L
(Appellant)		(Respondent)

Revenue by :	Ms. Aparna Karana, CIT DR
Assessee by:	Shri Amit Goel, CA Shri Nippun Mittal, CA
Date of Hearing	22/11/2017
Date of pronouncement	22/11/2017

ORDER

PER PRASHANT MAHARISHI, A. M.

1. These are the appeals filed by the assessee revenue against the order of the Id CIT(A)-III, New Delhi dated 10.02.2012 for the Assessment Year 2001-02 and 2002-03.
2. The revenue has raised the following grounds of appeal for the Assessment Year 2001-02:-
  - “1. On the facts and circumstances of the case, the CIT(A) has erred in law and on facts in deleting the addition of Rs. 2994150/- out of the total addition of Rs. 3392000/- made by the Assessing Officer on account of unaccounted income from scrap sales.
  2. On the facts and in the circumstances of the case the Id CIT(A) has erred in law and on facts in holding that the Assessing Officer was not justified in estimating speed money expenses at Rs. 3169500/-.
  3. The order of the CIT(A) is erroneous and is not tenable on facts and in law.”
3. The revenue has raised the following grounds of appeal for the Assessment Year 2001-02:-
  - “1. On the facts and circumstances of the case, CIT(A) has erred in law and on facts in deleting the addition of Rs. 1111895/- out of total addition of Rs. 2808000/- made by the Assessing Officer on account of unaccounted income from scrap sales.
  2. On the facts and in the circumstances of the case, the CIT(A) has erred in law and on facts in holding that the Assessing Officer was not justified in estimating speed money expenses at Rs. 2322000/-.
  3. On the facts and circumstances of the case, CIT(A) has erred in law and on facts in deleting the addition of Rs. 150000/- made by the AO on account of disallowance unvouched business expenses.
  4. The order of the CIT(A) is erroneous and is not tenable on facts and in law.”

4. At the outset of the hearing itself, the ld. DR brought to our attention that CBDT vide Circular No.21/2015 dated 10th December, 2015 has decided that the revenue would not prefer an appeal before the Tribunal if the tax effect is less than Rs.10 lakhs. Therefore, he pleaded that the appeal of the revenue be decided as per the instruction of the CBDT. Ld AR also reiterated same facts.
5. We have heard both the sides on the issue and perused the material. We find that the CBDT vide circular dated 10.12.2015 has revised the monetary limit for filing the appeal by the department before Income Tax Appellate Tribunal, Hon'ble High Courts and Hon'ble Supreme Court. The relevant para of the aforesaid circular is 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 :-

Sl.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.”

6. We find that the tax effect involves in the appeal of the Revenue is below Rs.10 lakhs. There is no dispute that the Board's instructions 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 instruction since the tax effect in the instant appeal is less than the amount of Rs.10 lakhs.
5. In view of the above, Circular No.21 dated 10.12.2015 will apply to all pending appeals. Therefore the precedent, it is held that the appeal is not maintainable in the instant case as the tax effect is less than Rs.10 lakhs. Accordingly, it is held that appeal filed by the revenue is not maintainable.
6. In the result, appeals filed by the department is dismissed.

Order pronounced in the open court on 22/11/2017.

-Sd/-

(H.S.SIDHU)  
JUDICIAL MEMBER

-Sd/-

(PRASHANT MAHARISHI)  
ACCOUNTANT MEMBER

Dated:22/11/2017  
A K Keot

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1. Applicant
2. Respondent
3. CIT
4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR  
ITAT, New Delhi