

**आयकर अपीलीय अधिकरण, अहमदाबाद न्यायपीठ 'A' अहमदाबाद ।**

**IN THE INCOME TAX APPELLATE TRIBUNAL  
"A" BENCH, AHMEDABAD**

**BEFORE SHRI PRADIP KUMAR KEDIA, ACCOUNTANT MEMBER  
& SHRI MAHAVIR PRASAD, JUDICIAL MEMEBR**

आयकर अपील सं./I.T.A. No. 2702/Ahd/2011

(निर्धारण वर्ष / Assessment Year : 2008-09)

<b>ACIT</b> Mehsana Circle, Mehsana	<b>बनाम/</b> Vs.	<b>M/s. Neptune Equipment</b> 296-A, GIDC Estate, Phase-II, Dediyan
<b>स्थायी लेखा सं./जीआइआर सं./PAN/GIR No. : AAGFM2414C</b>		
(अपीलार्थी /Appellant)	..	(प्रत्यर्थी / Respondent)

अपीलार्थी ओर से /Appellant by :	Shri Sanjeev Dev, Sr. D.R.
प्रत्यर्थी की ओर से / Respondent by :	Shri Mehul Talera, A.R.

सुनवाई की तारीख / Date of Hearing	12/09/2018
घोषणा की तारीख /Date of Pronouncement	17/09/2018

**आदेश/ORDER**

**PER PRADIP KUMAR KEDIA - AM:**

The captioned appeal has been filed at the instance of the Revenue against the order of the CIT(A), Gandhinagar ('CIT(A)' in short), dated 23.08.2011 arising in the assessment order dated 27.12.2010 passed by the Assessing Officer (AO) under s. 143(3)

of the Income Tax Act, 1961 (the Act) concerning assessment year 2008-09.

2. The grounds of appeal raised by the Revenue reads as under:-

- “1. *The learned CIT(Appeals) has erred in law and on facts in deleting the addition of Rs.23,00,000/- made on account of transfer of net working assets to M/s Neptune Industries P Ltd under the scheme of succession.*
2. *The learned CIT(Appeals) has erred in law and on facts in deleting the addition of Rs.14,38,533/- made on account of payment made to sister concerns u/s 40A(2)(b) of the Act being not legitimate and unreasonable.”*

3. At the time of hearing, it was submitted by the Ld.AR for the assessee that the appeal filed by the Revenue is hit by recently issued CBDT Circular No.3 of 2018 dated 11/07/2018 revising the previous thresholds pertaining to tax effects. As per aforesaid Circular, all pending appeals filed by Revenue are liable to be dismissed as a measure for reducing litigation where the tax effect does not exceed the prescribed monetary limit which is now revised at Rs.20 Lakhs. In the instant case, the tax effect on the disputed issues raised by the Revenue is stated to be not exceeding Rs.20 lakhs and therefore appeal of the Revenue is required to be dismissed *in limine*.

4. The Learned DR for the Revenue fairly admitted the applicability of the CBDT Circular No. 3 of 2018. Accordingly, appeal of the Revenue is dismissed as not maintainable. However, it will be open to the Revenue to seek restoration of its appeal on

showing inapplicability of the aforesaid CBDT Circular in any manner.

5. In the result, the appeal of the Revenue is dismissed.

**This Order pronounced in Open Court on 17/09/2018**

Sd/-

(MAHAVIR PRASAD)  
JUDICIAL MEMBER  
Ahmedabad: Dated 17/09/2018

Sd/-

(PRADIP KUMAR KEDIA)  
ACCOUNTANT MEMBER

True Copy

*S. K. SINHA*

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

1. राजस्व / Revenue
2. आवेदक / Assessee
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त- अपील / CIT (A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, अहमदाबाद /  
DR, ITAT, Ahmedabad
6. गार्ड फाइल / Guard file.

By order/आदेश से,

उप/सहायक पंजीकार  
आयकर अपीलीय अधिकरण, अहमदाबाद ।