

**IN THE INCOME TAX APPELLATE TRIBUNAL
(DELHI BENCH 'G' : NEW DELHI)**

**BEFORE SHRI KULDIP SINGH, JUDICIAL MEMBER
and
SHRI PRASHANT MAHARISHI, ACCOUNTANT MEMBER**

**ITA No.5324/Del./2015
(ASSESSMENT YEAR : 2005-06)**

ITO, Ward 1,
Panipat.

vs. Shri Gurnam Singh
through L/H Charanjeet Singh,
Village R/o Dera Noorwala,
Taraf Mukadum,
Panipat.

(PAN : EFNPS3217B)

(APPELLANT)

(RESPONDENT)

ASSESSEE BY : S/Shri Ashok Sethi & Vivek Sethi, Advocates
REVENUE BY : Shri K. Tewari, Senior DR

Date of Hearing : 24.09.2018

Date of Order : 24.09.2018

ORDER

PER KULDIP SINGH, JUDICIAL MEMBER :

The appellant, ITO, Ward 1, Panipat, by filing the present appeal, sought to set aside the impugned order dated 16.06.2015 passed by Ld. CIT (A), Rohtak qua the assessment year 2005-06.

2. Perusal of the aforesaid appeal filed by the Revenue apparently show that the same is having low tax effect as per CBDT Circular No.3/2018 dated 11th July, 2018 vide which the Revenue has been directed not to prefer any appeal in case the tax effect is less than Rs.20,00,000/- and this factual position has been fairly conceded by the Ld. DR. The Ld. A.R. contended that

the appeal of the Revenue may be dismissed in the light of CBDT Circular (supra).

3. We have heard the Id. DR on the issue in controversy and perused the material on record. Perusal of CBDT Circular (supra) shows that monetary limit for filing the appeal by the Department before the Tribunal, Hon'ble High Court and Hon'ble Supreme Court has been revised and the relevant portion of the aforesaid circular is extracted as under:

“Subject: Revision of monetary limits for filing of appeals by the Department before Income Tax Appellate Tribunal, High Courts and SLPs/appeals before Supreme Court-measures for reducing litigation-Reg.

Reference is invited to Board’s Circular No. 21 of 2015 dated 10.12.2015 wherein monetary limits and other conditions for filing departmental appeals (in Income-tax matters) before Income Tax Appellate Tribunal, High Courts and SLPs/ appeals before Supreme Court were specified.

2. In supersession of the above Circular, it has been decided by the Board that departmental appeals may be filed on merits before Income Tax Appellate Tribunal and High Courts and SLPs/ appeals before Supreme Court keeping in view the monetary limits and conditions specified below.

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/SLPs in Income-tax matters</i>	<i>Monetary Limit (in Rs)</i>
<i>1</i>	<i>Before Appellate Tribunal</i>	<i>20,00,000/-</i>
<i>2</i>	<i>Before High Court</i>	<i>50,00,000/-</i>
<i>3</i>	<i>Before Supreme Court</i>	<i>1,00,00,000/-</i>

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.

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12. It is clarified that the monetary limit of Rs. 20 lakhs for filing appeals before the ITAT would apply equally to cross objections

under section 253(4) of the Act. Cross objections below this monetary limit, already filed, should be pursued for dismissal as withdrawn/ not pressed. Filing of cross objections below the monetary limit may not be considered henceforth. Similarly, references to High Courts and SLPs/ appeals before Supreme Court below the monetary limit of Rs. 50 lakhs and Rs. 1 Crore respectively should be pursued for dismissal as withdrawn/ not pressed. References before High Court and SLPs/ appeals below these limits may not be considered henceforth.

13. This Circular will apply to SLPs/ appeals/ cross objections/ references to be filed henceforth in SC/HCs/Tribunal and it shall also apply retrospectively to pending SLPs/ appeals/ cross objections/references. Pending appeals below the specified tax limits in pare 3 above may be withdrawn/ not pressed.

14. The above may be brought to the notice of all concerned.

15. This issues under Section 268A of the Income-tax Act 1961.....”

4. In view of the CBDT Circular No.3/2018 dated 11.07.2018 having retrospective effect and what has been discussed above, we are of the considered view that the aforesaid appeal is not maintainable because of low tax effect i.e. less than Rs.20,00,000/- hence, the aforesaid appeal filed by the Revenue is hereby dismissed having been become infructuous. However, in case, the present appeal is found to be covered by the revised guidelines issued by the CBDT vide letter F.No.279/Misc.142/2007-ITJ (Pt) dated 20th August, 2018, the Department shall be at liberty to seek recall of this order under relevant provisions of law.

Order pronounced in open court on this 24th day of September, 2018 after the conclusion of the hearing.

**Sd/-
(PRASHANT MAHARISHI)
ACCOUNTANT MEMBER**

**sd/-
(KULDIP SINGH)
JUDICIAL MEMBER**

Dated the 24th day of September, 2018/TS

Copy forwarded to:

- 1.Appellant
- 2.Respondent
- 3.CIT
- 4.CIT(A), Rohtak.
- 5.CIT(ITAT), New Delhi.

AR, ITAT
NEW DELHI.