

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

ITA No. 2143/Del/2018  
(Assessment Year: 2014-15)

Asst. Commissioner of Income Tax, Circle 35(1), New Delhi	Vs	Smt. Navita Srikant, E- 65, Kamla Nagar, Delhi- 110007  PAN:AOBPS9145P
(Appellant)		(Respondent)

Assessee by :	Sh. Amit Katoch, Sr. DR
Respondent by:	None
Date of Hearing	15.02.2019
Date of pronouncement	18.02.2019

ORDER

PER PRASHANT MAHARISHI, A. M.

1. This appeal filed by the Department is directed against the order dated 20.11.2017 of ld. CIT(A)-12, New Delhi for the Assessment Year 2014-15. Assessee, respondent has made a request for early hearing of the appeal. After hearing the ld SR DR and also looking at the letter dated 24/1/2019 submitted by the assessee , it was noticed that this appeal of department is covered by the issue of low tax effect. Therefore request for early hearing is granted and appeal of the ld AO is heard on this aspect.
2. Assessee vide letter dated 24/1/2019 has submitted the tax working where by the tax effect in this appeal is Rs 16.33 lakhs. This tax effect was verified by the ld DR. Then ld. DR brought to our attention that CBDT vide Circular No.03/2018 dated 11<sup>TH</sup> July 2018 has decided that the revenue would not prefer an appeal before the Tribunal if the tax effect is less than Rs.20 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.

3. We have heard both the sides on the issue and perused the material. We find that the CBDT vide circular dated 11<sup>th</sup> July 2018 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	20,00,000
2.	Before High Court	50,00,000
3.	Before Supreme Court	1,00,00,000

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.”

4. We find that the tax effect involves in the appeal of the Revenue is below Rs.20 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.20 lakhs.
5. In view of the above, Circular No.3/2018 dated 10.07.2018 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.20 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 18/02/2019.

-Sd/-

(H.S. SIDHU)  
JUDICIAL MEMBER

-Sd/-

(PRASHANT MAHARISHI)  
ACCOUNTANT MEMBER

Dated: 18/02/2019  
SH

Copy forwarded to

1. Applicant
2. Respondent

3. CIT
4. CIT (A)
5. DR:ITAT

ASSISTANT REGISTRAR  
ITAT, New Delhi