

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

**BEFORE SHRI SUDHANSHU SRIVASTAVA, JUDICIAL MEMBER
AND
SHRI O.P. KANT, ACCOUNTANT MEMBER**

**ITA NO. 4281/DEL/2016
AY : 2011-12**

Asstt. C.I.T.,
Circle 12(2),
New Delhi.

(Appellant)

vs M/s International Cars & Motors Ltd.,
Sonalika House, 283,
A.G.C.R. Enclave
Karkardooma,
New Delhi-110092
(PAN: AABCI2403D)
(Respondent)

Appellant by: Shri Raghunath, Sr. DR
Respondent by: Shri Ashwani Mishra, Advocate

Date of hearing : 28.08.2019

Date of pronouncement: 29.08.2019

ORDER

PER SUDHANSHU SRIVASTAVA, J.M.

This appeal by the revenue is directed against the order of the
ld. CIT(A)-4, New Delhi dated 19.05.2016 pertaining to AY 2011-
12.

2.0 The revenue is aggrieved by the deletion of addition of Rs.
14,14,430/- made by the ld. Commissioner of Income Tax(A) on
account of interest expenses.

2.1 A perusal of the grievance of the revenue shows that the tax effect would be less than Rs. 50 lakh and hence the appeal has to be dismissed in the light of the CBDT Circular No. 17/2019 dated 08.08.2019.

2.2 The ld. DR vehemently stated that this Circular is not applicable to the existing appeals as it is prospective in nature.

2.3 In our considered opinion, the language of the Circular 17/2019 dated 08.08.2019 clearly shows that it has referred to the earlier Circular 3/2018 and its amendment dated 20.08.2018 vide which monetary limit for filing of income tax appeals by the department before the ITAT, Hon'ble High Court, SLP/and appeals before the Hon'ble Supreme Court have been specified. It would be pertinent to refer to the Circular no. 17/2019 which reads as under:-

"Circular No. 17/2019

New Delhi. 8th August 2019

Subject: - Further Enhancement of Monetary limits for filing of appeals by the Department before Income Tax Appellate Tribunal, High Courts and SLPs/appeals before Supreme Court - Amendment to Circular 3 of 2018 - Measures for reducing litigation.-

Reference is invited to the Circular No.3 of 2018 dated 11.07.2018 (the Circular) of Central Board of Direct Taxes

(the Board) and its amendment dated 20th August, 2018 vide which monetary limits for filing of income tax appeals by the Department before Income Tax Appellate Tribunal, High Courts and SLPs/ appeals before Supreme Court have been specified. Representation has also been received that an anomaly in the said circular at para 5 may be removed.

2. As a step towards further management of litigation, it has been decided by the Board that monetary limits for filing of appeals in income-tax cases be enhanced further through amendment in Para 3 of the Circular mentioned above and accordingly, the table for monetary limits specified in Para 3 of the Circular shall read as follows:

<i>S.No. Appeals/SLPs in IT matters</i>	<i>Monetary Limit (Rs.)</i>
<i>1. Before Appellate Tribunal</i>	<i>50,00,000/-</i>
<i>2. Before High Court</i>	<i>1,00,00,000/-</i>
<i>3. Before Supreme Court</i>	<i>2,00,00,000/-</i>

3. Further, with a view to provide parity in filing of appeals in scenarios where separate order is passed by higher appellate authorities for each assessment year vis-à-vis where composite order for more than one assessment year is passed. Para 5 of the Circular is substituted by the following para:-

"5. The Assessing Officer shall calculate the tax effect separately for every assessment year in respect of the disputed issues in the case of every assessee. If, in the case of an assessee, the disputed issues arise in more than one assessment year, appeal can be filed in respect of such assessment year or years in which the tax effect in respect of the disputed issues exceeds the monetary limit specified in para 3. No appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit specified in para 3. Further, even in the case of composite order of any High Court or appellate authority which involves more than one assessment year and

common issues in more than one assessment year, no appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit specified in para 3. In case where a composite order/ judgement involves more than one assessee. each assessee shall be dealt with separately."

4. The said modifications shall come into effect from the date of issue of this Circular.

5. The same may be brought to the notice of all concerned.

6. This issues under section 268A of the Income-tax Act, 1961.

7. Hindi version will follow."

3.0 As mentioned elsewhere by Circular 17/2019, the CBDT has further enhanced the monetary limit for filing of appeals and the same is amendment to Circular 3/2018. We find that Clause 13 of Circular 3/2018 reads as under:

"The Circular will apply to SLPs/ appeals/ cross objections/ references to be filed henceforth in Hon'ble Supreme Court/Tribunal and it shall also apply retrospectively to pending SLPs/ appeals/ cross objections / references. Pending appeals below the specified tax limits in para 3 above may be withdrawn/not pressed."

3.1 In light of the above, we are of the considered opinion that Circular No. 17/2019 shall also apply retrospectively to pending

appeals. In that view of the matter, the appeal filed by the Revenue stands dismissed.

4. In the result, the appeal by the revenue stands dismissed.

Order pronounced in the open court on 29th August, 2019.

Sd/-

(O.P. KANT)
ACCOUNTANT MEMBER

Sd/-

(SUDHANSHU SRIVASTAVA)
JUDICIAL MEMBER

DATED: 29th AUGUST, 2019
'GS'

Copy forwarded to:-

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

By Order

Asstt. Registrar
ITAT, New Delhi