

IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH: 'A', NEW DELHI

BEFORE SHRI H.S. SIDHU, JUDICIAL MEMBER  
AND  
SHRI ANADEE NATH MISSHRA, ACCOUNTANT MEMBER

ITA No. 5299/Del/2016  
Assessment Year: 2011-12

DCIT, CIRCLE 3(2), NEW DELHI ROOM NO. 380B, C.R. BUILDING, I.P. ESTATE, NEW DELHI	Vs.	M/S ASIS MOULDS INDIA PVT LTD., 33, UDYOG VIHAR, ECOTECH II, GREATER NOIDA-201306 (PAN:AADCA250P)
<b>(Appellant)</b>		<b>(Respondent)</b>

Department by	Shri Anil Kumar Sharma, Sr. DR.
Assessee by	Shri Samarth, Adv.

**ORDER**

**PER H.S. SIDHU, JM:**

This appeal is filed by the Revenue against the impugned order passed by the Ld. CIT(A)-1, New Delhi relating to assessment year 2011-12 on the following grounds:-

1. The Ld. CIT(A) erred in law and on facts in directing the AO to restrict the disallowance of indirect expenses to 25% without any basis as against 50% disallowed by the AO.
2. The Ld. CIT(A) erred in law and on facts in deleting addition of Rs. 24,67,461/- on account of unconfirmed creditors despite the

fact that the assessee has not furnished any details before the AO.

3. The appellant craves leave for reserving the right to amend, modify, alter, add or forego any ground(s) of appeal at any time before or during the hearing of this appeal.

2. At the time of hearing, Ld. Counsel for the Assessee has stated that the tax effect involved in this Departmental Appeal is less than Rs.50 lakhs, hence, he requested that the appeal of the Revenue may be dismissed in view of latest CBDT Circular No. 17/2019 Dated 08.08.2019 wherein the monetary limit for filing the appeal before the Appellate Tribunal by the Department have been enhanced to Rs.50 lakhs.

3. It is noted that vide Circular No.3/2018 Dated 11<sup>th</sup> July, 2018 issued by CBDT under section 268A of the I.T. Act, it has been directed that the Department shall not file appeal before the Tribunal in case where the tax effect does not exceed the monetary limit of Rs.20 lakhs. It is also directed that this instruction will apply retrospectively to pending appeals and appeals to be filed henceforth in the Tribunal. Pending appeals below the specified tax limit may be withdrawn/not pressed by the Department. Recently, the CBDT vide Circular No.17/2019 Dated 08.08.2019 amended its earlier Circular No.3/2018 (Supra)

whereby it has been directed that monetary limit for filing the Departmental appeal in Income Tax Cases may be enhanced further through this amendment in para-3 of the Circular mentioned above and accordingly, the monetary limit for filing the appeal before the Appellate Tribunal have been enhanced to Rs.50 lakhs. Since Circular No.17/2019 Dated 08.08.2019 have been issued to amend its earlier Circular No.3/2018 dated 11.7.2018 (Supra), therefore, all the conditions of earlier Circular No.3/2018 shall apply accordingly. This view is supported by the ITAT, Ahmedabad 'A' Bench decision dated 14<sup>th</sup> August, 2019 passed in the case of Income Tax Officer, Ward 3(2), Ahmedabad vs. Dinesh Madhvlal Patel and 627 others passed in ITA No. 1398/Ahd/2004 (AY 1998-99).

4. Ld. CIT(DR) did not controvert the aforesaid proposition.

5. Keeping in view of the facts and circumstances as explained above and in view of the aforesaid CBDT Circulars as well as decision dated 14<sup>th</sup> August, 2019 of the ITAT, Ahmedabad 'A' Bench passed in the case of

Income Tax Officer, Ward 3(2), Ahmedabad vs. Dinesh Madhvlal Patel and 627 others passed in ITA No. 1398/Ahd/2004 (AY 1998-99), the appeal of the Department is dismissed.

6. In the result, the appeal filed by the Department is dismissed.

The decision is pronounced on 02.09.2019.

Sd/-  
**(ANADEE NATH MISSHRA)**  
**ACCOUNTANT MEMBER**

Sd/-  
**(H.S. SIDHU)**  
**JUDICIAL MEMBER**

Dated: 02.09.2019

“SRB”

**Copy forwarded to:**

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

Asstt. Registrar, ITAT, New Delhi