

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

BEFORE SHRI H.S. SIDHU, JUDICIAL MEMBER
AND
SHRI PRASHANT MAHARISHI, ACCOUNTANT MEMBER

ITA No. 565/Del/2017
Assessment Year: 2012-13

INCOME TAX OFFICER, WARSD 20(2), NEW DELHI ROOM NO. 218, 2 ND FLOOR, C.R. BUILDING, I.P. ESTATE, NEW DELHI – 2	Vs.	M/S PUSHPANJALI FINSOLUTIONS LIMITED, M-63-64, FIRST FLOOR, CONNAUGHT PLACE, NEW DELHI – 2 (PAN: AAFCP2583B)
(Appellant)		(Respondent)

Department by	Sh. Surender Pal, Sr. DR.
Assessee by	Sh. Lalit Kumar, Adv.

ORDER

PER H.S. SIDHU, JM:

This appeal is filed by the Revenue against the impugned order passed by the Ld. CIT(A)-36, New Delhi relating to assessment year 2012-13 on the following grounds:-

1. On the facts and under the circumstances of the case, the Ld. CIT(A) has erred in law in deleting the addition of Rs. 1,00,69,372/- made by the AO u/s. 14A of the Act without

appreciating the facts that the AO, after recording his satisfaction under the provisions of section 14A, has correctly computed the disallowance under Rule 8D of the I.T. Rules.

2. The appellant craves to add, modify or delete any of the grounds on or before the date of hearing of appeal.

2. It is noted that the tax effect involved in this Departmental Appeal is less than Rs.50 lakhs, hence, Ld. Counsel for the assessee 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 further noted that vide Circular No.3/2018 Dated 11th 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 Pending appeals below the specified tax limit may be withdrawn/not pressed by the Department.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 14th 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) has agreed that the tax effect involved in this appeal is below the prescribed limit i.e. Rs. 50 lacs.

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 14th 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 09.09.2019.

Sd/-
(PRASHANT MAHARISHI)
ACCOUNTANT MEMBER

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

Dated: 09.09.2019

"SRB"

Copy forwarded to:

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

Asstt. Registrar, ITAT, New Delhi