

आयकर अपीलीय अधिकरण, अहमदाबाद न्यायपीठ 'डी' अहमदाबाद।  
IN THE INCOME TAX APPELLATE TRIBUNAL  
"D" BENCH, AHMEDABAD

BEFORE SHRI RAJPAL YADAV, JUDICIAL MEMBER  
AND SHRI AMARJIT SINGH, ACCOUNTANT MEMBER

आयकर अपील सं./ ITA No. 1539/Ahd/2017

निर्धारण वर्ष/Assessment Year: 2011-12

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|--|-----|---|
| Income Tax Officer,<br>Ward-1,<br>Godhra | Vs. | Shri Chandrakant H. Sonaiya,<br>Vrundavan Nagar, Bamroli<br>Road, Godhra-389001<br>PAN : AGYPS 3725 L |
| <b>अपीलार्थी/ (Appellant)</b>            |     | <b>प्रत्यर्थी/ (Respondent)</b>   |
| Revenue by :                             |     | Shri Vinod Tanwani, Sr DR   |
| Assessee by :                            |     | Shri Jimi Patel, AR   |

सुनवाई की तारीख/Date of Hearing : 23/10/2019

घोषणा की तारीख /Date of Pronouncement: 13/11/2019

**आदेश/O R D E R**

**PER RAJPAL YADAV, JUDICIAL MEMBER:**

The Revenue is in appeal before the Tribunal against the order of the learned Commissioner of Income-tax (Appeals)-4, Vadodara dated 10.03.2017 passed for Assessment Year 2011-12.

2. The grounds taken by the Revenue are as follows:-

*"1. On the facts and in the circumstances of the case, the learned CIT(A) erred in restricting the disallowance of unexplained cash credit of Rs.1,64,01,000/- to Rs.17,47,673/-, disregarding the fact that assessee could not establish the nature and details of each transactions appearing in the unaccounted bank account no. 10575000243 with plausible and satisfactory explanation during the assessment proceedings as well as remand proceedings before the CIT(A).*

*2. On the facts and in the circumstances of the case, the learned CIT(A) erred in restricting the disallowance of unexplained cash credit of Rs.1,64,01,000/- to Rs.17,47,673/-, and directing AO to calculate this addition on the basis of GP/NP, overlooking the fact that assessee failed to submit the copy of ledger accounts, confirmation, copy of purchase as well as sale bills, to establish that the said transactions were of business nature.*

3. *On the facts and in the circumstances of the case, the learned CIT(A) erred in deleting GP addition of Rs. 9,78,620/- overlooking the fact that assessee had not brought on record anything to explain the fall in GP as compared to the previous year."*

3. When this appeal was called out for hearing, learned counsel for the assessee submitted that the present appeal of the Revenue needs to be dismissed on account of low tax effect in view of the recent CBDT Circular No. 17 of 2019 dated 08.08.2019 whereby the monetary limits for filing the appeal by the Revenue before the Tribunal was enhanced from Rs.20 lakhs to Rs.50 lakhs. This instruction is applicable to the pending cases also. Learned Counsel for the assessee also submits that in the present case the tax effect is Rs. 48,30,275/-, as per the working placed on record, which is below the prescribed limit of Rs.50 lakhs. Therefore, the present appeal of the Revenue is liable to be dismissed as non-maintainable as held by this Tribunal in the case of ITO Vs. Dinesh Madhavlal Patel in ITA No.1398/Ahd/2004 for AY 1998-99 vide a consolidated order dated 14.08.2019.

4. The learned Departmental Representative fairly admitted that the tax effect involved in the appeal is less than the limit prescribed by the aforesaid CBDT Circular.

5. We have heard the rival contentions, perused the material on record and duly considered facts of the case in the light of applicable legal position. As learned counsel rightly contends, the present appeal of the Revenue is no longer maintainable in view of the recent CBDT Circular No. 17 of 2019 dated 08.08.2019. The mandatory limit for cases in which Revenue can challenge the relief granted by the CIT(A) now stands enhanced to Rs.50 lakhs. This concession granted by the Central Board of Direct Taxes (CBDT) is retrospective in effect inasmuch as it applies to all pending appeals as

well. In view of the above position, the appeal filed by the Revenue is no longer maintainable and is dismissed as such.

6. It is, however, made clear that on re-verification at the end of the Assessing Officer it comes out that the tax effect of more than Rs.50 lakhs is being involved in the appeal or the appeal falls within the exemption clause of the Circular, then the Revenue will be at liberty to file Miscellaneous Application to recall the Tribunal order. The application should be filed within time limit prescribed in the Act.

7. In the result, appeal of the Revenue is dismissed due to low tax effect.

**Order pronounced in the Court on 13<sup>th</sup> November 2019 at Ahmedabad.**

Sd/-

(AMARJIT SINGH)  
ACCOUNTANT MEMBER  
Ahmedabad; Dated 13/11/2019

*Dya T, Sr. PS*

Sd/-

(RAJPAL YADAV)  
JUDICIAL MEMBER

**आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :**

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त(अपील) / The CIT(A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, अहमदाबाद / DR, ITAT, Ahmedabad
6. गार्ड फाईल / Guard file.

TRUE COPY

आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./ Asstt.Registrar)  
आयकर अपीलीय अधिकरण, अहमदाबाद / ITAT, Ahmedabad