

-आयकर अपीलीय अधिकरण, अहमदाबाद न्यायपीठ - अहमदाबाद ।

IN THE INCOME TAX APPELLATE TRIBUNAL
AHMEDABAD – BENCH ‘D’

**BEFORE SHRI RAJPAL YADAV, VICE-PRESIDENT
AND
SHRI AMARJIT SINGH, ACCOUNTANT MEMBER**

ITA No.583/Ahd/2013

And

ITA No.585/Ahd/2013

[निर्धारण वर्ष/ Asstt.Year: 2007-08 and 2010-11]

DCIT, Cent.Cir.2(4) Ahmedabad.	Vs.	M/s.Sita Fabrics P. Ltd. 63, New Cloth Market Raipur Gate, Sarangpur Ahmedabad 380 002. PAN : AADCS 3753 J
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(Applicant)		(Responent)
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Revenue by :	Shri Vinod Tanwani, Sr.DR
Assessee by :	Shri Parin Shah, AR

सुनवाई की तारीख/Date of Hearing : 09/10/2020

घोषणा की तारीख /Date of Pronouncement: 19/10/2020

आदेश/O R D E R

PER RAJPAL YADAV, VICE-PRESIDENT

Present two appeals are filed at the instance of the Revenue against orders of Id.CIT(A)-III, Ahmedabad of even dated i.e. 28.12.2012 passed for the Asstt.Years 2007-08 and 2010-11 respectively challenging deletion of additions by the CIT(A) as set out in the grounds of appeals.

2. Before going to the merit of the cases, the Id.counsel for the assessee at the outset submitted that tax effect on the disputed additions in both the cases is below Rs.50 lakhs. Therefore, in view of this, he submitted that by virtue of recent CBDT Circular No.17 of 2019 dated 8.8.2019, Department has been instructed not to file appeal before the Tribunal where tax effect is below Rs.50 lakhs. This instruction is applicable to the pending cases also. Therefore, the present appeals of the Revenue are liable to be dismissed at the threshold. Per contra, the

ld.DR did not dispute applicability of the recent CBDT circular and also tax effect being below Rs.50 lakhs in each of the cases. He, however, left the issue to the Tribunal to pass appropriate order in the matter.

3. After hearing both the sides and after perusal of the above CBDT Instruction, we are of the view that the present appeals of the Revenue fall within the purview of the CBDT Instruction cited (supra). It is not disputed by the Revenue that tax effect on the disputed total addition is less than Rs.50 lakhs, and therefore, keeping in view the above CBDT circular and provisions of section 268A of the Income Tax Act, we are of the view that the present appeals of the Revenue deserve to be dismissed. Both are accordingly dismissed.

However, it is observed that in case on re-verification at the end of the AO it can be demonstrated that the tax effect is more, or Revenue's case falls within the ambit of exceptions provided in the Circular, then the Department will be at liberty to approach the Tribunal for recall of this order. Such application should be filed within the time period prescribed in the Act. In view of the above, the appeals of the Revenue are dismissed due to low tax effect.

4. In the result, appeals of the Revenue is dismissed due to low tax effect.

Order pronounced in the Court on 19th October, 2020 at Ahmedabad.

**Sd/-
(AMARJIT SINGH)
ACCOUNTANT MEMBER**

**Sd/-
(RAJPAL YADAV)
VICE-PRESIDENT**