

**IN THE INCOME TAX APPELLATE TRIBUNAL
“RAJKOT” BENCH, RAJKOT**

(Convened Through Virtual Court)

**BEFORE SHRI RAJPAL YADAV, VICE PRESIDENT AND
SHRI PRADIP KUMAR KEDIA, ACCOUNTANT MEMBER**

आयकर अपील (एस. एस.) सं./I.T.A. No. 306/Rjt/2016

(निर्धारण वर्ष / Assessment Year : 2012-13)

Assistant Commissioner of Income Tax Morbi Circle, Morbi, Aayakar Bhavan, 2 nd Floor, Room No. 206, Race Course Ring Road, Rajkot	बनाम/ Vs.	M/s. Motto Tiles Pvt. Ltd. 8-A, N. H. Sartanpar Road, At- Makansar, Tal.-Morbi
स्थायी लेखा सं./जीआइआर सं./PAN/GIR No. : AAGCM3252M		
(अपीलार्थी /Appellant)	..	(प्रत्यर्थी / Respondent)

अपीलार्थी ओर से /Appellant by :	Shri Suhas Mistry, Sr. D.R.
प्रत्यर्थी की ओर से / Respondent by :	Shri Vimal Desai, A.R.

सुनवाई की तारीख / Date of Hearing	11/11/2020
घोषणा की तारीख /Date of Pronouncement	12/11/2020

आदेश/ORDER

PER PRADIP KUMAR KEDIA - AM:

The captioned appeal has been filed at the instance of the Revenue against the order of the Commissioner of Income Tax (Appeals)-3, Rajkot ('CIT(A)' in short), dated 08.06.2016 arising in the assessment order dated 28.03.2015 passed by the Assessing Officer (AO) under s. 143(3) of the Income Tax Act, 1961 (the Act) concerning A.Y. 2012-13.

2. The substantive ground of appeal raised by the Revenue reads as under:-

- “1. *On the facts and circumstances of the case and in law, the Ld. CIT(A) has erred in deleting the addition of Rs.700,00,000/- made u/s.68 of the I.T. Act, 1961 in respect of introduction of unaccounted money under the guise of share subscription money.*
2. *On the facts and circumstances of the case and in law, the Ld. CIT(A) has erred in deleting the addition of Rs.1,40,000/- made on account of estimated commission paid for getting accommodative entries holding that since the addition in respect of unaccounted income introduced in the books of accounts under the guise of share subscription money made at Rs.70,00,000/-has been deleted, the addition made on account of estimated commission at Rs.1,40,000/- for getting such accommodative entries does not survive.*
3. *On the facts of the case and in law, the Ld. C.I.T.(A) ought to have upheld the assessment order of the A.O.”*

3. At the time of hearing, it was submitted by the Ld.AR for the assessee that the appeal filed by the Revenue is hit by recently issued CBDT Circular No.17 of 2019 dated 08/08/2019 revising the previous thresholds pertaining to tax effects. It is *inter alia* noticed that the CBDT vide Instruction No. F. No. 279/Misc/M-93/2018-ITJ dt. 20/08/2019 has observed that Circular No.17/2019 dated 08/08/2019 relating to enhancement of monetary limits is also applicable to all pending appeals. As per aforesaid Circular read with instruction, all pending appeals filed by Revenue are liable to be dismissed as a measure for reducing litigation where the tax effect does not exceed the prescribed monetary limit which is now revised at Rs.50 Lakhs. In the instant case, the tax effect on the disputed issues raised by the Revenue is stated to be not exceeding Rs.50 lakhs and therefore appeal of the Revenue is required to be dismissed *in limine*.

4. The Learned DR for the Revenue fairly admitted the applicability of the CBDT Circular No. 17 of 2019. Accordingly, appeal of the Revenue is dismissed as not maintainable. However,

it will be open to the Revenue to seek restoration of its appeal on showing inapplicability of the aforesaid CBDT Circular in any manner.

5. In the result, the appeal of the Revenue is dismissed.

This Order pronounced on 12/11/2020

Sd/-
(RAJPAL YADAV)
VICE PRESIDENT
Ahmedabad: Dated 12/11/2020

Sd/-
(PRADIP KUMAR KEDIA)
ACCOUNTANT MEMBER

True Copy

S. K. SINHA

आदेश की प्रतिलिपि अग्रेषित / Copy of Order Forwarded to:-

1. राजस्व / Revenue
2. आवेदक / Assessee
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त- अपील / CIT (A)
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, अहमदाबाद /
DR, ITAT, Ahmedabad
6. गार्ड फाइल / Guard file.

By order

Deputy/Asstt.Registrar
ITAT, Rajkot