

**IN THE INCOME TAX APPELLATE TRIBUNAL DELHI
BENCH 'I-1', NEW DELHI**

**BEFORE SH. ANIL CHATURVEDI, ACCOUNTANT MEMBER
AND SH. K. NARASIMHA CHARY, JUDICIAL MEMBER**

(THROUGH VIDEO CONFERENCING)

ITA No.4062/Del/2017
(for Assessment Year : 2011-12)

DCIT Circle – 11(1) New Delhi PAN No. AAACM 8966 G (APPELLANT)	Vs.	HaskoningDHV Consulting Pvt. Ltd., Lower Ground Floor, Chamber-1, Plot No.37, Street No.2, East Guru Nagad Nagar, New Delhi PIN : 110092 (RESPONDENT)
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Assessee by	--None--
Revenue by	Shri Anurag Sharma Sr. D.R.

Date of hearing:	16/06/2021
Date of Pronouncement:	16/06/2021

ORDER

PER ANIL CHATURVEDI, AM:

This appeal filed by the Revenue is directed against the order dated 28.02.2017 passed by the Commissioner of Income Tax (Appeals)-39, New Delhi relating to Assessment Year 2011-12.

2. Revenue has raised the following grounds of appeals:

1. *“Whether on the facts and Circumstances of the case, the Ld CIT(A) was correct in holding that the issue of shares at premium*

by assessee company to its non-resident holding company would not give rise to the income is an international transaction.

2. *Whether on the facts and circumstances of the case, the Ld CIT(A) was correct in holding that the provision of chapter X would have no such application in this case ignoring that fact that the purpose of enactment of Chapter X, is to benchmark an international transaction with the Fair Market Value of such transaction, so as to ensure that there are no profit transfer between parties in different jurisdictions effectually circumventing taxes.*
3. *The appellant craves leave, to add, alter or amend any ground of appeal raised above at the time of hearing.”*

3. At the time of hearing, we inquired from the Ld. DR as to whether the tax effect of the grounds raised by Revenue is less than the monetary limit prescribed by CBDT for filing the appeals to which he fairly admitted that the tax effect is less than the monetary limit prescribed by CBDT for filing the appeals.

4. We have heard the Ld. DR and perused the material on record. On perusing the grounds of appeal raised by the Revenue, we find that Revenue is aggrieved by the order of Learned CIT(A) in respect of the relief given by him. We find that CBDT vide Circular No. 3/2018 dated 11.07.2018 had increased the limit for filing appeal before ITAT at Rs. 20 lakhs. The limit for filing appeals before ITAT and other authorities were enhanced by CBDT vide Circular No.17 of 2019 dated 08.08.2019. As per the aforesaid CBDT Circular dated 08.08.2019, no Department appeals are to be filed against relief given by the Learned CIT(A) before the Income Tax Appellate Tribunal unless the tax effect, excluding interest, exceeds Rs.50 lakhs. We find that in the present case, the tax effect involved is less than Rs.50 lakhs. In

the absence of any material placed on record by the Revenue to demonstrate that the issue in the present appeal is covered by exceptions provided in para 10 of the aforesaid CDBT Circular of 11.07.2018, we are of the view that the monetary limit prescribed by the instructions of the CDBT Circular dated 08.08.2019 would be applicable to the present appeal of the Department. We therefore hold the present appeal of Revenue to be not maintainable on account of low tax effect. However, in case there is any error in the computation of the tax effect involved or if for any reason, the aforesaid CDBT Circular is not applicable, it would be open to the Revenue to seek revival of the appeal. **Thus the appeal of the Revenue is dismissed.**

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

Order pronounced in the open court on 16.06.2021, immediately after conclusion of the hearing of the matter in virtual mode.

Sd/-

**(K. NARASIMHA CHARY)
JUDICIAL MEMBER**

Sd/-

**(ANIL CHATURVEDI)
ACCOUNTANT MEMBER**

Date:- 16.06.2021

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Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

ASSISTANT REGISTRAR
ITAT NEW DELHI