

IN THE INCOME TAX APPELLATE TRIBUNAL, SURAT BENCH, SURAT
BEFORE SHRI PAWAN SINGH, JUDICIAL MEMBER AND
DR. ARJUN LAL SAINI, ACCOUNTANT MEMBER
ITA No. 245/SRT/2019 (AY: 2015-16)
(Virtual Court Hearing)

The ACIT, Central Circle-3, Surat.	Vs.	Kirankumar Rasiklal Sanghvi, 1, Paras Society, Neminath Nagar Road, Dessa, Dessa, 385535. PAN : AFOPS0131D
APPELLANT		RESPONDEDNT

Appellant by	None.
Respondent by	Ms Anupama Singla, Sr. DR
Date of hearing	17/09/2021
Date of pronouncement	17/09/2021

आदेश / O R D E R

PER Dr. A. L. SAINI, ACCOUNTANT MEMBER:

The captioned appeal filed by the Revenue, pertaining to Assessment Year (AY) 2015-16, is directed against the order passed by the Commissioner of Income Tax (Appeals)-4, Ahmedabad in Appeal No. CIT(A)-4/10376/2017-18, which in turn arises out of an assessment order passed by the Assessing Officer u/s143(3) of the Income Tax Act, 1961 (in short the 'Act') dated 29.12.2017.

2. In this revenue's appeal in ITA No. 245/SRT/2019, we noticed that revenue has raised ground in respect of addition deleted by the Id. CIT(A), which relates to income from other sources at Rs.1,31,51,290/- on which total tax comes to Rs.44,70,599/-, which comes in the ambit of tax effect of CBDT Circular vide Circular No. 17/2019 dated 08.08.2019. None appeared on behalf of the assessee, despite service of notice of hearing of this appeal.

3. The CBDT has issued Circular No. 17/2019 dated 08.08.2019, whereby the monetary limits for filing of appeals by the Department before Income Tax Appellate Tribunal and High Courts and SLP before Supreme

Court have been increased as measure for reducing Litigation. The revised monetary limits laid down in para-2 of this Circular are as follows:

- | | |
|-------------------------------------|-------------------------|
| <i>1. Before Appellate Tribunal</i> | <i>Rs.50,00,000/-</i> |
| <i>2. Before High Court</i> | <i>Rs.1,00,00,000/-</i> |
| <i>3. Before Supreme Court</i> | <i>Rs.2,00,00,000/-</i> |

4. In the present case, the tax effect by the revenue is less than Rs.50,00,000/-. Though this appeal had been filed by the revenue on 29/04/2019 and was within the monetary limit in the form of tax effect for filing appeals before Tribunal, in view of the recent Circular of CBDT, even such appeals will be governed by the new monetary limits laid down in the CBDT Circular No.17/2019 referred to above.

5. It is a settled law that the Circulars issued by CBDT are binding on the Revenue. This position was confirmed by the Apex Court in the case of Commissioner of Customs vs. Indian Oil Corporation Ltd. reported in 267 ITR 272 wherein their Lordships examined the earlier decisions of the Apex Court with regard to binding nature of the Circular and laid down that when a circular issued by the Board remains in operation then the Revenue is bound by it and cannot be allowed to plead that it is not valid or that it is contrary to the terms of the statute. The appeal under consideration has certainly been filed contrary to the Circular issued by the CBDT Circular No.17 dated 08.08.2019.

6. In the event, the Revenue finds at a later point of time that the tax effect in the appeal is more than Rs.50 lakhs or despite low tax effect the appeal of the revenue is maintainable, the revenue is at liberty to move this Tribunal for recalling of this order.

7. In the result, the appeal of the Revenue (**in ITA No. 245/SRT/2019 for AY.2015-16**) is dismissed.

Order pronounced on 17/09/2021 by placing result on notice board.

Sd/-
(PAWAN SINGH)
JUDICIAL MEMBER

Sd/-
(DR. A. L. SAINI)
ACCOUNTANT MEMBER

Surat, Dated: 17/09/2021
SAMANTA

Copy to:

1. Appellant
2. Respondent
3. CIT(A)
4. Pr. CIT
5. DR
6. Guard File

// TRUE COPY //

By order

Assistant Registrar/Sr. PS/PS
ITAT, Surat