

**IN THE INCOME TAX APPELLATE TRIBUNAL DELHI
BENCH 'D', NEW DELHI**

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

(THROUGH VIDEO CONFERENCING)

ITA Nos. 3258 & 3259/Del/2018
(for Assessment Years : 2012-13 & 2013-14)

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| DCIT International Taxation, Circle Gurgaon Gurgaon PAN No. AAFCM 9853 P (APPELLANT) | Vs. | M/S. AECOM Asia Company Ltd., 9 th Floor, Infinity Tower-C, DLF Cyber City, DLF Phase-II, Gurgaon Haryana – 122 002. (RESPONDENT) |
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|-------------|--------------------------|
| Assessee by | --None-- |
| Revenue by | Dr. Arun Kumar, Sr. D.R. |

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| Date of hearing: | 22.12.2021 |
| Date of Pronouncement: | 22.12.2021 |

ORDER

PER ANIL CHATURVEDI, AM :

Both the appeals filed by the Revenue are directed against the order dated 15.09.2017 passed by the Commissioner of Income Tax (Appeals)-43, New Delhi relating to Assessment Year 2012-13 & 2013-14.

2. Revenue has raised the following grounds of appeals in ITA No. 3258/Del/2018 for A.Y. 2012-13:

1. *“Whether, on the facts and in the circumstances of the case, the Ld. CIT(A)-43 erred in deleting the addition of Rs.72,02,167/- (50% of Rs.1,44,04,334/-) made under section 44DA of the Income Tax Act, 1961, thereby dismissing the AO’s stand that the income of Rs.1,44,04,334/- disclosed by the assessee as “Overseas Consultancy Income” and offered on gross basis as FTS Income, is normal business and professional income u/s 44DA being effectively connected to the PE/Business Connection of the assessee.*
2. *The appellant craves to add, amend, modify or alter any ground of appeal at the time or before the hearing of the appeal.”*

3. Similar grounds have been raised by Revenue in ITA No.3259/Del/2018 for A.Y. 2013-14.

4. On the date of hearing, none appeared on behalf of assessee though the case file reveals that on the last occasion, the hearing was adjourned at the request of the assessee. In such a situation, we proceed to dispose of the appeals *ex parte qua* the assessee and after hearing the Learned DR.

5. 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 in both the appeals.

6. We have heard the Ld. DR and perused the material on record. On perusing the grounds of appeals 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 cases, 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 appeals is covered by exceptions provided in para 10 of the aforesaid CBDT 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 appeals of the Department. We therefore hold the present appeals 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 CBDT Circular is not applicable, it would be open to the Revenue to seek revival of the appeals. **Thus the appeals of the Revenue are dismissed.**

7. In the result, both the appeals of Revenue are dismissed.

Order pronounced in the open court on 22.12.2021, immediately after conclusion of the hearing of the matter in virtual mode.

**Sd/-
(K. NARASIMHA CHARY)
JUDICIAL MEMBER**

**Sd/-
(ANIL CHATURVEDI)
ACCOUNTANT MEMBER**

Date:- 22.12.2021

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Copy forwarded to:

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

ASSISTANT REGISTRAR
ITAT NEW DELHI