

**IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI “E” BENCH: NEW DELHI**

(THROUGH VIDEO CONFERENCING)

**BEFORE SHRI KUL BHARAT, JUDICIAL MEMBER &
SHRI PRADIP KUMAR KEDIA, ACCOUNTANT MEMBER**

**ITA No.3009/Del/2019
[Assessment Year : 2015-16]**

DCIT, Circle-16(2), New Delhi	vs	Narinder Bajaj, E-12/4, 1 st Floor, Vasant Vihar, New Delhi-110057. PAN-AEAPB0307H
APPELLANT		RESPONDENT
Appellant by	Shri Bhopal Singh, Sr.DR	
Respondent by	Shri Ankit B.Agarwal, CA	
Date of Hearing	17.03.2022	
Date of Pronouncement	17.03.2022	

ORDER

PER KUL BHARAT, JM :

This appeal filed by the Revenue for the assessment year 2015-16 is directed against the order of Ld. CIT(A)-68, New Delhi dated 31.01.2019.

The Revenue has raised following grounds of appeal:-

1. *“Whether on the facts and circumstances of the case, the Ld. CIT(A) is legally justified in deleting the disallowance of Rs.70,64,205/- on account of interest paid on borrowed capital for purchase of shares on the basis of the decision of the jurisdictional Hon’ble High Court in the case of CIT vs Mithlesh Kumar 92 ITR 9 (Del) by ignoring the fact that the facts of the case relied upon by the assessee and Ld. CIT(A) are different from the present case?”*

2. *Whether on the facts and circumstances of the case, the Ld. CIT(A) is legally justified in holding that interest expense would form part of cost of acquisition of shares, as the same had been incurred for the purpose of acquisition of the said capital asset by ignoring the fact that capitalization of borrowing costs would cease when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete?*
3. *That the appellant craves leave to add, amend alter or forgo any grounds/(s) of appeal raised above at the time of the hearing?"*

2. However, Ld. Counsel for the assessee pointed out that the present appeal pertaining to Assessment Year 2015-16 deserves to be withdrawn as the tax effect involved in the case is below Rs.50 Lacs.

3. The CBDT vide Circular No.17/2019 dated 08.08.2019 has revised the monetary limit for filing the appeals before the Tribunal to Rs.50 Lacs. Further, CBDT vide letter dated 20.08.2019 has also clarified that Circular No.17/2019 would be applicable to all pending appeals. In such circumstances, the present appeal filed by the Revenue in case of low tax effect is not maintainable.

4. Before parting, we clarify here that the Revenue shall be at liberty to approach the Tribunal for re-institution of appeal, if the requisite material is brought to show that the appeal is protected by the exceptions prescribed in para 10 of the Circular dated 11.07.2018.

5. In conclusion, by applying the CBDT Circular dated 08.08.2019 and letter dated 20.08.2019 (supra), the captioned appeal of the Revenue is dismissed as withdrawn/not pressed.

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

Order pronounced in the open Court on 17th March, 2022.

Sd/-

**(PRADIP KUMAR KEDIA)
ACCOUNTANT MEMBER**

Sd/-

**(KUL BHARAT)
JUDICIAL MEMBER**

** Amit Kumar **

Copy forwarded to:

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

ASSISTANT REGISTRAR
ITAT, NEW DELHI