

आयकर अपीलीय अधिकरण, हैदराबाद पीठ में  
IN THE INCOME TAX APPELLATE TRIBUNAL  
HYDERABAD BENCHES "B", HYDERABAD

BEFORE  
SHRI RAMA KANTA PANDA, ACCOUNTANT MEMBER  
&  
SHRI K.NARASIMHA CHARY, JUDICIAL MEMBER

आ.अपी.सं / ITA Nos. 776 & 777/Hyd/2017  
(निर्धारण वर्ष / Assessment Years: 2009-10 & 2010-11)

Deputy Commissioner of Income Tax,  
Circle-5(1),  
Hyderabad

Vs. M/s.Navabharat Ventures  
Limited,  
Hyderabad  
[PAN No. AAACN7327C]

अपीलार्थी / Appellant

प्रत्यर्थी / Respondent

निर्धारिती द्वारा/Assessee by: Shri P.V.S.S.Prasad, AR  
राजस्व द्वारा/Revenue by: Shri Kumar Aditya, CIT-DR

सुनवाई की तारीख/Date of hearing: 12-07-2022  
घोषणा की तारीख/Pronouncement on: 12-07-2022

आदेश / ORDER

**PER K. NARASIMHA CHARY, JM:**

These two appeals by the Revenue for the assessment years 2009-10 & 2010-11 are directed against the order of Learned Commissioner of Income Tax (Appeals)-4, Hyderabad.

2. At the outset, the Id. DR brought to our attention that CBDT vide Circular No. 17/2019 dated 8<sup>th</sup> August 2019 has decided that the Revenue would not prefer any appeal before the Tribunal if the tax effect is less than

Rs. 50 lakhs. Therefore, he pleaded that the appeals of the Revenue be decided as per the Instruction of the CBDT.

3. We have gone through the records and we find that the CBDT vide Circular No. 17/2019 dated 8<sup>th</sup> August 2019 has enhanced the monetary limit for filing the appeal by the Revenue before Income Tax Appellate Tribunal, Hon'ble High Courts and Hon'ble Supreme Court. The relevant para of the aforesaid circular is reproduced as under :-

*"2. As a step towards further management of litigation, it has been decided by the Board that monetary limits for filing of appeals in income-tax cases be enhanced further through amendment in Para 3 of the Circular mentioned above and accordingly, the table for monetary limits specified in Para 3 of the Circular shall read as follows:*

| <i>S.No.</i> | <i>Appeals/SLPs in Income-tax matters</i> | <i>Monetary Limit (Rs)</i> |
|--------------|---|----------------------------|
| <i>1.</i>    | <i>Before Appellate Tribunal</i>          | <i>50,00,000</i>           |
| <i>2.</i>    | <i>Before High Court</i>                  | <i>1,00,00,000</i>         |
| <i>3.</i>    | <i>Before Supreme Court</i>               | <i>2,00,00,000</i>         |

3. Further, with a view to provide parity in filing of appeals in scenarios where separate order is passed by higher appellate authorities for each assessment year vis-a-vis where composite order for more than one assessment years is passed, para 5 of the circular is substituted by the following para:

*"5. The Assessing Officer shall calculate the tax effect separately for every assessment year in respect of the disputed issues in the case of every assessee. If, in the case of an assessee, the disputed issues arise in more than one assessment year, appeal can be filed in respect of such assessment year or years in which the tax effect in respect of the disputed issues exceeds the monetary limit specified in para 3. No appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit specified in para 3. Further, even in the case of composite order of any High Court or appellate authority which involves more than one assessment year and common issues in more than one assessment year, no appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit specified in para 3. In case where a composite order/judgement involves more than one assessee, each assessee shall be dealt with separately."*

4. *The said modifications shall come into effect from the date of issue of this Circular.*
5. *The same may be brought to the notice of all concerned.*
6. *This issues under section 268A of the Income-tax Act, 1961.”*

4. Tax effect involved in these appeals of the Revenue is below Rs. 50 lakhs. There is no dispute that the Board’s instructions or directions issued to the Income-tax authorities are binding on those authorities, therefore, the Revenue should have withdrawn/not pressed the present appeals in view of the aforesaid instruction since the tax effect in the instant appeals is less than the amount of Rs. 50 lakhs. The issue of applicability of the above circular to pending appeals has been decided by the Co-ordinate Bench in Dinesh Madhavlal Patel [TS-469-ITAT-2019(Ahd)] 2019-TIOL-1556-ITAT-AHM dated 14<sup>th</sup> August, 2019.

5. In view of the above, Circular No. 17/2019 dated 08-08-2019 is applicable to all pending appeals. These appeals are, accordingly, not maintainable since the tax effect is less than Rs. 50 lakhs. We are, however, inclined to give liberty to Revenue to file miscellaneous applications if for any reason, at a later point of time, it turns out that the subject matter of the appeals falls under any instances stated in para No. 10 of the CBDT Circular No. 3/2018 dated 11-07-2018.

6. In the result, both the appeals filed by the Revenue are dismissed.

Order pronounced in the open court on this 12<sup>th</sup> day of July, 2022

Sd/-  
**(RAMA KANTA PANDA)**  
**ACCOUNTANT MEMBER**

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

TNMM

Hyderabad, Dated: 12-07-2022

Copy forwarded to:

1. The Deputy Commissioner of Income Tax, Circle-5(1), Hyderabad.
2. M/s.Navabharat Ventures Limited, 6-3-1109/1, Navabharat Chambers,  
Raj Bhavan Road, Somajiguda, Hyderabad.
3. The CIT(Appeals)-4, Hyderabad.
4. Pr.CIT-4, Hyderabad.
5. DR, ITAT, Hyderabad.
6. GUARD FILE

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ITAT, HYDERABAD