

**IN THE INCOME TAX APPELLATE TRIBUNAL
RAJKOT BENCH, RAJKOT
(Conducted through E-Court at Ahmedabad)**

**BEFORE SHRI WASEEM AHMED, ACCOUNTANT MEMBER &
SHRI SIDDHARTHA NAUTIYAL, JUDICIAL MEMBER**

I.T.A. No.163/Rjt/2022
(Assessment Year: 2013-14)

Deputy Commissioner of Income Tax, Circle-1(1), Rajkot	Vs.	M/s. Tirthak Paper Mill Pvt. Ltd., Survey No. 14, Village Lilapur, Post Lilapur, Morbi, Gujarat- 363641
[PAN No.AACCT3813F]		
(Appellant)	..	(Respondent)

Appellant by :	Shri Abhimanyu Singh, Sr. D.R.
Respondent by:	Ms. Devina Patel, A.R.

Date of Hearing	09.08.2023
Date of Pronouncement	23.08.2023

ORDER

PER SIDDHARTHA NAUTIYAL, JM:

This appeal has been filed by the Revenue against the order passed by the Ld. Commissioner of Income Tax(Appeals), (in short “Ld. CIT(A)”), National Faceless Appeal Centre, (in short “NFAC”), in Order No. ITBA/NFAC/S/250/2021-22/1040636733(1) vide order dated 12.03.2022 passed for Assessment Year 2013-14.

2. The Revenue has taken the following grounds of appeals:-

“(1) On facts and circumstances of the case and in law, the Ld. CIT(A) has erred in deleting the addition of Rs.1,22,02,420/- holding that the department of Central Excise had itself dropped the proceedings.

(2) *The Ld. CIT(A) allowed the appeal merely on the fact that the CE & EX department had dropped the proceedings without bringing on records the basis on which the CE & EX department had dropped the Proceedings.*

(3) *The Ld. CIT(A) failed to appreciate the facts that in his statement the director of the company had itself accepted that they had made clandestine removal of goods.*

(4) *That the Ld. CIT(A) has erred in deleting the addition of Rs.24,00,000/-. The AO has made the addition because the assessee had failed to proof regarding creditworthiness and genuineness of transaction.*

(5) *It is therefore prayed that the order of the Ld. CIT(A) be set aside and the order of the AO restored.”*

3. At the time of hearing, it was submitted by the Ld. AR for the assessee that appeal filed by the Revenue is hit by recently issued CBDT Circular No.17 of 2019 dated 08/08/2019 revising the previous thresholds pertaining to tax effects. As per aforesaid Circular, all pending appeals filed by Revenue are liable to be dismissed as a measure for reducing litigation where the tax effect does not exceed the prescribed monetary limit which is now revised at Rs.50 Lakhs. In the instant case, the tax effect on the disputed issues raised by the Revenue is stated to be not exceeding Rs.50 lakhs and therefore appeal of the Revenue is required to be dismissed in limine.

4. The Learned DR for the Revenue fairly admitted the applicability of the CBDT Circular No. 17 of 2019. Accordingly, appeal of the Revenue is

dismissed as not maintainable. However, it will be open to the Revenue to seek restoration of its appeal on showing inapplicability of the aforesaid CBDT Circular in any manner.

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

This Order pronounced in Open Court on

23/08/2023

Sd/-
(WASEEM AHMED)
ACCOUNTANT MEMBER
Ahmedabad; Dated 23/08/2023

TANMAY, Sr. PS

TRUE COPY

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent.
3. संबंधित आयकर आयुक्त / Concerned CIT
4. आयकर आयुक्त(अपील) / The CIT(A)-
5. विभागीय प्रतिनिधि, आयकर अपीलीय अधिकरण, राजकोट / DR, ITAT, Rajkot
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार Dy./Asstt.Registrar)
आयकर अपीलीय अधिकरण, राजकोट / ITAT, Rajkot