

**IN THE INCOME TAX APPELLATE TRIBUNAL
“B” BENCH, AHMEDABAD**

**BEFORE SHRI SIDDHARTHA NAUTIYAL, JUDICIAL MEMBER &
SHRI MAKARAND VASANT MAHADEOKAR, ACCOUNTANT MEMBER**

I.T.A. No.975/Ahd/2023
(Assessment Year: 2014-15)

Deputy Commissioner of Income Tax, Vadodara, Gujarat	Vs.	Alikraft Engineers Pvt. Ltd., Block No. 826, At-Po Samlya Savli Road, Taluka Savli, Vadodara-391520
[PAN No.AAATC9186H]		
(Appellant)	..	(Respondent)

Appellant by :	Ms. Urvashi Sodhan, A.R.
Respondent by:	Shri Ramesh Kumar, Sr. DR
Date of Hearing	29.04.2024
Date of Pronouncement	14.05.2024

ORDER

PER SIDDHARTHA NAUTIYAL - JUDICIAL MEMBER:

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”), Delhi vide order 05.10.2023 passed for A.Y. 2014-15.

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

“1. Whether on the facts of the case and in law, the Ld. CIT(A) was justified in deleting the addition of Rs.33,67,500/- made by the AO on account of the difference between the value of the share worked out in the valuation report at Rs.80/- and the fair market value worked out at Rs.12.65/- by applying the formula $(A-L) X (PV)/(PE)$?

2. Whether on the facts of the case and in law, the Ld.CIT(A) was justified in deleting the addition of Rs.33,67,500/- made by the AO, ignoring the findings of the AO that the valuation report has been submitted by the same Accountant who has also audited the accounts of the company u/s 44AB of the Act, which is contrary to provisions of the Act as well as Rule 11UA of the Income Tax and also that future projections adopted by the Accountant are devoid of any basis?

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3. *The appellant craves leave to add, modify, amend or alter any grounds of appeal at the time of, or before, the hearing of appeal.*

It is prayed that the order of the CIT(A) on the above issuers be set-aside and that of the Assessing Officer be 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	14/05/2024
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Sd/-
(MAKARAND V. MAHADEOKAR)
ACCOUNTANT MEMBER

Ahmedabad; Dated 14/05/2024

TANMAY, Sr. PS

TRUE COPY

Sd/-
(SIDDHARTHA NAUTIYAL)
JUDICIAL MEMBER

आदेश की प्रतिलिपि अग्रहित/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, अहमदाबाद / DR, ITAT, Ahmedabad
6. गार्ड फाईल / Guard file.

आदेशानुसार/ BY ORDER,

उप/सहायक पंजीकार (Dy./Asstt.Registrar)
आयकर अपीलीय अधिकरण, अहमदाबाद / ITAT, Ahmedabad