



IN THE INCOME TAX APPELLATE TRIBUNAL, RAJKOTBENCH (SMC), RAJKOT
BEFORE DR. ARJUN LAL SAINI, ACCOUNTANT MEMBER

आयकरअपीलसं./ITA No.16/RJT/2025

Assessment Year: (2017-18)
(Hybrid Hearing)

Income Tax Officer AaykarVibhag, JK Chambers, NH8A, AT. Lalpar, Morbi-363642	Vs.	Narbherambhai Mahadevbhai Kavar, Laxmivas, Tal.Maliya(M), Dist. Morbi-363660
स्थायीलेखासं./जीआइआरसं./PAN/GIR No.: ADEPK3980C		
(Appellant)		(Respondent)

Appellant by	Shri Chetan Agarwal, Ld. A.R.
Respondent by	Shri Abhimanyu Singh Yadav, Ld. Sr. DR
Date of Hearing	10/03/2025
Date of Pronouncement	25/04/2025

आदेश / ORDER

PER DR. A. L. SAINI, AM:

Captioned appeal filed by the assessee, pertaining to Assessment Year (AY)2017-18, is directed against the order passed by the Learned Commissioner of Income Tax(Appeals), National Faceless Appeal Centre, Delhi [in short “the Ld. CIT(A)/NFAC”], dated 07/11/2024, which in turn arises out of an assessment order passed by Assessing Officer (in short ‘the AO’), u/s 147 r.w.s. 144 of the Income Tax Act, 1961 (hereinafter referred to as “the Act”), dated 20/04/2023.

2. In this revenue’s appeal in ITA No. 16/Rjt/2025, I noticed that Revenue has raised ground in respect of addition of Rs.12,78,000/- deleted by the ld. CIT(A), which relates to unexplained investment under section 69 of the Act,



which comes in the ambit of tax effect of CBDT Circular, vide Circular No. 09/2024 dated 17.09.2024.

3. Recently the CBDT has issued Circular No. 09/2024 dated 17.09.2024, whereby the monetary limits for filing of appeals by the Department before Income Tax Appellate Tribunal and High Courts and SLP before Supreme Court have been increased as measure for reducing Litigation. The revised monetary limits laid down in para-2 of this Circular are as follows:

- | | |
|------------------------------|-------------------|
| 1. Before Appellate Tribunal | Rs. 60,00,000/- |
| 2. Before High Court | Rs. 2,00,00,000/- |
| 3. Before Supreme Court | Rs. 5,00,00,000/- |

4. In the present case, the tax effect by the revenue is less than Rs.60,00,000/-. Though this appeal had been filed by the revenue on 13/01/2025 and was within the monetary limit in the form of tax effect for filing appeals before Tribunal, in view of the recent Circular of CBDT, even such appeals will be governed by the new monetary limits laid down in the CBDT Circular No.09/2024 referred to above.

5. It is a settled law that the Circulars issued by CBDT are binding on the Revenue. This position was confirmed by the Apex Court in the case of Commissioner of Customs vs. Indian Oil Corporation Ltd. reported in 267 ITR 272 wherein their Lordships examined the earlier decisions of the Apex Court with regard to binding nature of the Circular and laid down that when a circular issued by the Board remains in operation then the Revenue is bound by it and cannot be allowed to plead that it is not valid or that it is contrary to the terms of the statute. The appeal under consideration has certainly been filed contrary to the Circular issued by the CBDT Circular No. 09/2024 dated 17.09.2024.



6. In the event, the Revenue finds at a later point of time that the tax effect in the appeal is more than Rs.60 lakhs or despite low tax effect the appeal of the revenue is maintainable, the revenue is at liberty to move this Tribunal for recalling of this order.

7. In view of the above, I, hold that the appeal filed by the Department, against the impugned order of the Ld. CIT(A), is contrary to the policy decision of the Department and as such the appeal filed by the Department (Revenue) in ITA No. 16/Rjt/2025 is dismissed *in limine*.

8. In the result, the appeal of the Revenue in ITA No.16/Rjt/2025, is dismissed.

Order pronounced in the open court on 25/04/2025.

**Sd/-
(Dr. A.L. SAINI)
ACCOUNTANT MEMBER**

Rajkot

(True Copy)

दिनांक/ Date:25/04/2025

Copy of the Order forwarded to:

1. The Assessee
2. The Respondent
3. The CIT(A)
4. CIT
5. DR/AR, ITAT, Rajkot
6. Guard File

By Order

Assistant Registrar/Sr. PS/PS
ITAT, Rajkot