

IN THE INCOME TAX APPELLATE TRIBUNAL
DELHI BENCH: 'E' : NEW DELHI

BEFORE SHRI CHANDRA MOHAN GARG, JUDICIAL MEMBER, AND
SHRI L.P. SAHU, ACCOUNTANT MEMBER,

ITA No. 6278/Del /2013
Assessment Year: 2004-05

The A.C.I.T.
Central Circle - 2
New Delhi

Vs. Smt. Madhu Saraf
1290, Katra Dhulia
Chandni Chowk, New Delhi
PAN : APPPS 8499 K

CO No. 137/Del/2014
[A/o ITA No. 6278/Del /2013]
Assessment Year: 2004-05

Smt. Madhu Saraf
1290, Katra Dhulia
Chandni Chowk, New Delhi
PAN : APPPS 8499 K

Vs. The A.C.I.T.
Central Circle - 2
New Delhi

[Appellant]

[Respondent]

Date of Hearing : 17.12.2015
Date of Pronouncement: 31 .12.2015

Appellant by : Smt. Sulekha Verma, CIT-DR
Respondent by : Shri Ashok Jain, CA.
Shri Shailesh Gupta, Adv

ORDER

PER CHANDRA MOHAN GARG, JUDICIAL MEMBER

This appeal by the Revenue and cross objection by the assessee are directed against the order of the CIT(A)-III, New Delhi, dated 10/09/2013 for A.Y 2004-05.

2. This appeal and cross objection have been fixed for hearing in view of the recent CBDT Instruction No. 21/2015 dated 10.12.2015, revising the monetary limit of Rs.10 lakhs for not filing the appeal before the Tribunal in terms of section 268A(1) of the Income-tax Act.

3. The CBDT in its recent Circular No. 21/2015 dated 10.12.2015 has provided that no departmental appeal shall be filed before the 1TAT wherein the tax effect involved is less than Rs.10 lakhs. Further, in para 10 of the Circular, it is provided that this instruction would apply retrospectively and the pending appeals below the specified tax limit of Rs.10 lakhs may be withdrawn/not pressed.

4. The ld. CIT-DR appearing on behalf of the Revenue before us, at the outset, submitted that appeal can be withdrawn only after getting the approval of competent authority. He further referred to para 7 of the Circular to submit that dismissal of appeal, however, in any case, on account of low tax effect should not be considered as a precedence in the matters of subsequent years where the tax effect is above the monetary limit prescribed by this Circular and the issue should be decided on merits.

5. The learned counsel for the assessee, on the other hand, stated that the Circular is squarely applicable to the present appeal of the Revenue. He requested for withdrawal of the cross objection of the assessee.

6. After considering the submissions of both the parties, we find that prima facie, the tax effect involved in this appeal by the Revenue is below Rs. 10.00 lakhs and, therefore, we deem it proper to dismiss the appeal particularly because the pending appeal is covered by Circular in view of para 10 of the circular. However, we may clarify that if on receipt of this order, the Assessing Officer finds that the tax effect is above Rs.10 lakhs or in any other manner, the Circular is not applicable in view of exceptions culled out in the Circular, he will be at liberty to file miscellaneous application for recalling of this order which the Tribunal will consider in accordance with law. We further find considerable force in the contention of the CIT/DR that this order cannot be considered as an acceptance by the Revenue on the issue involved in this appeal and will not be an estoppel for the Revenue to take up the issue, involved in these appeals, before ITAT on merits if the tax effect in those years is more than Rs.10 lakhs.

7. Keeping in view the above Circular and the provisions of section 268A of the Income-tax Act, 1961 and without going into merits of the case, we dismiss the instant appeal filed by the Revenue as tax effect in the appeal is less than Rs.10 lakhs.

8. In the result, the appeal of the Revenue as well as the cross objection of the assessee stand dismissed as withdrawn.

The order is pronounced in the open court on 31.12.2015.

**Sd/-
(L.P. SAHU)
ACCOUNTANT MEMBER**

**Sd/-
(C.M. GARG)
JUDICIAL MEMBER**

Dated: 31st December, 2015

VL/

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(A)
5. DR

Asst. Registrar,
ITAT, New Delhi