

**INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH "G": NEW DELHI  
BEFORE SHRI N.K.SAINI, ACCOUNTANT MEMBER  
AND  
SHRI VIJAY PAL RAO, JUDICIAL MEMBER**

ITA No. 2718/Del/2005  
(Assessment Year: 2002-03)

ACIT,  
Circle7(1),  
Room No.312,  
C.R. Building,  
New Delhi  
(Assessee)

Vs. M/s. Sak Industries Ltd,  
Chandiwalan Estate,  
Maa Anand Mal Marg,  
Kalkaji, New Delhi  
(Respondent)

Appellant by : Smt. Amrapalli Das, CIT DR  
Respondent by : Sh. Rohit Garg, CA  
Smt.Shaily Gupta & Sambhav Jain, CA

|                       |            |
|-----------------------|------------|
| Date of Hearing       | 22.12.2015 |
| Date of pronouncement | 22.12.2015 |

**ORDER**

**PER VIJAY PAL RAO, JM**

This is an appeal filed by the Department is directed against the order dated 28.03.2005 of Id. CIT(A)-X, New Delhi for the Assessment Year 2002-03.

2. At the outset of the hearing itself, the Id. AR brought to our attention that CBDT vide Circular No.21/2015 dated 10th December, 2015 has decided that the revenue would not prefer an appeal before the Tribunal if the tax effect is less than Rs.10 lakhs. He has also filed the computation to show that the tax effect in this case is below Rs.10 lakhs. Therefore, he pleaded that the appeal of the revenue be dismissed as per the instruction of the CBDT.

3. Ld. DR was fair enough to admit the aforesaid factual position.

4. We have heard both the sides on the issue and perused the material. We find that the CBDT vide circular dated 10.12.2015 has revised the monetary limit for filing the appeal by the department 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 :-

"3. Henceforth, appeals/SLPs shall not be filed in cases where the tax effect does not exceed the monetary limits given hereunder :-

| Sl.No. | Appeals in Income-tax matters | Monetary Limit(in Rs.) |
|--------|-------------------------------|------------------------|
| 1.     | Before Appellate Tribunal     | 10,00,000              |
| 2.     | Before High Court             | 20,00,000              |
| 3.     | Before Supreme Court          | 25,00,000              |

*It is clarified that an appeal should not be filed merely because the tax effect in a case exceeds the monetary limits prescribed above. Filing of appeal in such cases is to be decided on merits of the case."*

5. We find that the tax effect of the dispute involved in the revenue appeal is below Rs.10 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 Department should have withdrawn/not pressed the present appeal in view of the aforesaid instruction since the tax effect in the instant appeal is less than the amount of Rs.10 lakhs.

5.1 In view of the above, Circular No.21 dated 10.12.2015 will apply to all pending appeals. Therefore, the appeal is not maintainable in the instant case as the tax effect is less than Rs.10 lakhs. Accordingly, it is held that appeal filed by the revenue is not maintainable.

6. In the result, appeal filed by the department is dismissed without going into the merits.

**Order pronounced in the open court on 22.12.2015.**

**-Sd/-  
(N.K.SAINI)  
ACCOUNTANT MEMBER**

Dated:22/12/2015

**-Sd/-  
(VIJAY PAL RAO)  
JUDICIAL MEMBER**

*A K Keot*

Copy forwarded to

1. Applicant
2. Respondent
3. CIT
4. CIT (A)
5. DR: ITAT

**ASSISTANT REGISTRAR  
ITAT, New Delhi**