

INCOME TAX: In order to file appeal before Tribunal, revised/enhanced minimum threshold limit of tax effect of Rs. 50 lakhs vide CBDT Circular No. 17/2019 dated 8-8-2019 is applicable not only for appeals to be filed by revenue in future but also for appeals already filed by revenue

■ ■ ■

**[2019] 109 taxmann.com 397 (Delhi - Trib.)
IN THE ITAT DELHI BENCH 'A'
Assistant Commissioner of Income-tax, New Delhi**

v.

Bulland Buildtech (P.) Ltd.*

H.S. SIDHU, JUDICIAL MEMBER
AND ANADEE NATH MISSHRA, ACCOUNTANT MEMBER
IT APPEAL NO. 1179 (DELHI) OF 2015
[ASSESSMENT YEAR 2007-08]
AUGUST 22, 2019

Section 268A of the Income-tax Act, 1961 - Filing of appeal or application for reference by Income-tax authority (Monetary limit) - Assessment year 2007-08 - Whether in order to file appeal before Tribunal, revised/enhanced minimum threshold limit of tax effect of Rs. 50 lakhs vide [CBDT Circular No. 17/2019 dated 8-8-2019](#) is applicable not only for appeals to be filed by revenue in future but also for appeals already filed by revenue - Held, yes - Whether, therefore, all existing appeals in Tribunal, having tax effect below revised/enhanced limit of Rs. 50 lakhs, are to be treated as withdrawn/not pressed and, thus, not maintainable - Held, yes [Para 8.3] [In favour of assessee]

Circulars and Notifications: [Circular No. 3 of 2018 dated 11-7-2018](#), [Circular No. 17 of 2019, dated 8-8-2019](#).

FACTS

- The revenue filed an appeal before Tribunal wherein tax effect was well below Rs. 50 lakhs. The Bench referred to the recent CBDT Circular No. 17/2019 dated 8-8-2019 in wherein minimum threshold limit of tax effect for filing of appeals by revenue had been enhanced to Rs. 50 lakhs by revising the earlier CBDT Circular No. 3 of 2018, dated 11-7-2018.
- The revenue, however, contended that clarification from CBDT was awaited as to whether the revised/enhanced monetary limit of Rs. 50 lakh *vide* CBDT Circular dated 8-8-2019 would apply to existing appeals already filed by revenue.

HELD

- It is noted that *vide* Circular No. 3/2018 dated 11-7-2018 issued by CBDT it was not only directed that the department shall not file appeal before the Tribunal in cases where the tax effect does not exceed the monetary limit of Rs. 20 lakh; but it was also directed that this instruction will apply retrospectively to pending appeals. It was further directed in aforesaid CBDT Circular No. 3/2018 dated 11-7-2018, that the

pending appeals below the specified tax limit may be withdrawn/not pressed by the department. [Para 8.1.1]

- Now, *vide* its aforesaid recent Circular No. 17/2019 Dated 8-8-2019, CBDT has amended its aforesaid earlier Circular No. 3/2018 dated 11-7-2018; and it has been directed that monetary limit for filing the Departmental appeal in be enhanced further and accordingly, the monetary limit for filing the appeal before the Appellate Tribunal have been enhanced to Rs. 50 lakhs through amendment of paragraph 3 of aforesaid Circular No. 3/2018 dated 11-7-2018. Aforesaid Circular No.17/2019 Dated 8-8-2019 has been issued to revise/enhance the monetary limit of tax effect to Rs. 50,00,000/- as compared to the monetary limit of Rs. 20,00,000/- *vide* CBDT's earlier Circular No. 3/2018 dated 11-7-2018; without, however, in any way amending any other material part of the aforesaid CBDT Circular dated 11-7-2018. More particularly, there is nothing in the aforesaid recent CBDT Circular No. 17/2019 dated 8-8-2019 to infer that direction contained in aforesaid earlier CBDT Circular No. 3 of 2018 dated 11-7-2018 to withdrawn/not press existing appeals (below specified monetary limit of tax effect) already filed by revenue in Tribunal; does not continue to be applicable. Therefore, all the provisions of aforesaid earlier Circular No. 3/2018 dated 11-7-2018 shall apply *mutatis mutandis* to recent aforesaid CBDT Circular No. 17/2019 dated 8-8-2019 also. Accordingly, the direction in aforesaid earlier Circular dated 11-7-2018 to withdraw/not press revenue's appeal with tax effect below Rs. 20,00,000/-; in view of recent aforesaid Circular dated 8-8-2019; is now to be read as direction to withdraw/not press revenue's appeal with tax effect below revised/enhanced limit of Rs. 50,00,000/-. [Para 8.1.2]
- Moreover, *Vide* F.No. 279/Misc/M-93/2018-ITJ, dated 20-8-2019; Clarification has been issued by CBDT that revised monetary limits mentioned in Circular No. 17/2019 is applicable to all pending SLPs/appeals/cross objections/references. [Para 8.2.3]
- In view of aforesaid, it is held that the revised/enhanced minimum threshold limit of tax effect of Rs. 50 lakhs *vide* CBDT Circular No. 17/2019 dated 8-8-2019 is applicable not only for appeals to be filed by revenue in future; but also for appeals already filed by revenue in Tribunal. Accordingly, in view of the aforesaid recent CBDT Circular No. 17/2019 dated 8-8-2019; the direction in aforesaid earlier Circular dated 11-7-2018 to withdraw/not press revenue's appeal with tax effect below Rs. 20,00,000/-; is now to be read as direction to withdraw/not press revenue's appeal with tax effect below revised/enhanced limit of Rs. 50,00,000/-. By necessary implication, therefore, all existing appeals in Tribunal, having tax effect below the revised/enhanced limit of Rs. 50,00,000/-, are to be treated as withdrawn/not pressed; and are, not maintainable. In view of the foregoing, it is held that the relaxation in monetary limits for filing of appeals by revenue in Tribunal, *vide* aforesaid CBDT Circular dated 8-8-2019 shall be applicable also to the pending appeals in Tribunal already filed by revenue. It is well settled that CBDT Circulars and Instructions, which are beneficial for assessee, are binding on the authorities below. Accordingly, this appeal filed by revenue is treated as withdrawn/not pressed by revenue; and held to be not maintainable having regard to the aforesaid CBDT Circular dated 8-8-2019. [Para 8.3]
- In the result, this appeal is dismissed being withdrawn/not pressed and not maintainable.

CASES REFERRED TO

ITO v. Dinesh Madhavlal Patel [2019] 108 taxmann.com 211 (Ahd. - Trib.) (para B.2), *ACIT v. Prateek Buildtech India (P.) Ltd.* [IT Appeal Nos. 5136 & 5137 (Delhi) of 2016, dated 19-8-2019] (para B.2.1), *ITO v. BSA Homes (P.) Ltd.* [IT Appeal No. 4497 (Delhi) of 2016, dated 19-8-2019] (para B.2.1), *ACIT v. Isham System (P.) Ltd.* [IT Appeal No. 4276 (Delhi) of 2016, dated 19-8-2016] (para B.2.1), *Hongkong and Shanghai Banking Corporation Ltd.* [SLP (Civil) Diary No. 25086 of 2019, dated 6-2-2019] (para B.2.2), *DCIT v. EB Holding Co. Ltd.* [SLP (Civil) Diary No. 26373 of 2019, dated 25-1-2019] (para B.2.2), *Pr. CIT v. Keshav Power Ltd.* [SLP (Civil) Diary No. 21497 of 2019, dated 7-9-2018] (para B.2.2) and *Pr. CIT v. Meenakshi Modi* [SLP (Civil) Diary No. 25076 of 2019, dated 24-1-2019] (para B.2.2).

D.S. Rawat, Sr.DR. *for the Appellant.* **C.P. Jarwal** *for the Respondent.*

ORDER

Anadee Nath Misshra, Accountant Member. - This appeal by Revenue has been filed against the order of Learned Commissioner of Income Tax (Appeals)-23, New Delhi, ["Ld. CIT(A)", for short], dated 16.12.2014 for Assessment Year 2007-08. The grounds of appeal are as under:

"On the facts and in the circumstances of the case the Ld. CIT(A) has erred in:—

1. The order of the CIT(A) is not correct in law and facts.
2. On the facts and circumstances of the case the Ld. CIT(A) has erred in deleting the addition of Rs. 75,00,000/- out of total addition of Rs. 1,33,35,000/- (Rs. 75,00,000 + 58,35,000) made by AO on account of bogus share application money.
3. The appellant craves leave to add, amend any/all the grounds of appeal before or during the course of hearing of the appeal."

(B) At the outset, at the time of hearing before us, the Bench noticed that tax effect in this appeal is well below Rs. 50,00,000/-. The Bench referred to the recent Central Board of Direct Taxes ("CBDT", for short) Circular No. 17/2019 dated 08.08.2019 in F. No. 279/Misc. 142/2007-ITJ (Pt.) wherein minimum threshold limit of tax effect for filing of appeals by Revenue in Income Tax Appellate Tribunal ("ITAT", for short) has been enhanced to Rs. 50,00,000/- by revising the earlier CBDT Circular No. 3 of 2018, dated 11.07.2018. The Learned Sr. Departmental Representative ("Ld. Sr. DR", for short) admitted that the tax effect in the present appeal is below Rs. 50,00,000/-. However, he stated that clarification from CBDT is awaited as to whether the revised/enhanced monetary limit of Rs. 50,00,000/- *vide* aforesaid CBDT Circular dated 08-08-2019 will apply to existing appeals already filed by Revenue in ITAT.

(B.1) The aforesaid CBDT circular No. 17/2019 dated 08-08-2017 reads as under:

'Circular No. 17/2019

New Delhi. 8th August 2019

Subject: - Further Enhancement of Monetary limits for filing of appeals by the Department before Income Tax Appellate Tribunal, High Courts and SLPs/appeals before Supreme Court - Amendment to Circular 3 of 2018 - Measures for reducing litigation.-

Reference is invited to the Circular No.3 of 2018 dated 11.07.2018 (the Circular) of Central Board of Direct Taxes (the Board) and its amendment dated 20th August. 2018 *vide* which monetary limits for filing of income tax appeals by the Department before Income Tax Appellate Tribunal. High

Courts and SLPs/appeals before Supreme Court have been specified. Representation has also been received that an anomaly in the said circular at para 5 may be removed.

2. As a step towards further management of litigation, it has been decided by the Board that monetary limits for filing of appeals in income-tax cases be enhanced further through amendment in Para 3 of the Circular mentioned above and accordingly, the table for monetary limits specified in Para 3 of the Circular shall read as follows:

<i>Sl. No.</i>	<i>Appeals/SLPs in IT matters</i>	<i>Monetary Limit (Rs.)</i>
1.	Before Appellate Tribunal	50,00,000/-
2.	Before High Court	1,00.00.000/-
3.	Before Supreme Court	2.00.00,000/-

3. Further, with a view to provide parity in filing of appeals in scenarios where separate order is passed by higher appellate authorities for each assessment year *vis-a-vis* where composite order for more than one assessment years is passed, para 5 of the circular is substituted by the following para:

"5. The Assessing Officer shall calculate the tax effect separately for every assessment year in respect of the disputed issues in the case of every assessee. If, in the case of an assessee, the disputed issues arise in more than one assessment year, appeal can be filed in respect of such assessment year or years in which the tax effect in respect of the disputed issues exceeds the monetary limit specified in para 3. No appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit specified in para 3. Further, even in the case of composite order of any High Court or appellate authority which involves more than one assessment year and common issues in more than one assessment year, no appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit specified in para 3. In case where a composite order/judgment involves more than one assessee, each assessee shall be dealt with separately."

4. The said modifications shall come into effect from the date of issue of this Circular.

5. The same may be brought to the notice of all concerned.

6. This issues under section 268A of the Income-tax Act, 1961.

7. Hindi version will follow.'

B.1.1 We have noted that *vide* Circular No. 3/2018 dated 11th July, 2018 issued by CBDT it was not only directed that the Department shall not file appeal before the Tribunal in cases where the tax effect does not exceed the monetary limit of Rs. 20 lakh; but it was also directed that this instruction will apply retrospectively to pending appeals. It was further directed in aforesaid CBDT Circular No. 3/2018 dated 11.07.2018, that the pending appeals below the specified tax limit may be withdrawn/not pressed by the Department. Relevant Portion of the aforesaid Circular No. 3/2018 dated 11.07.2018 is as under:

"The Circular will apply to SLPs/appeals/cross objections /references to be filed henceforth in Hon'ble Supreme Court/Tribunal and it shall also apply retrospectively to pending SLPs/appeals/cross objections/references. Pending appeals below the specified tax limits in para 3 above may be withdrawn/not pressed."

B.1.2 Now, *vide* its aforesaid recent Circular No. 17/2019 Dated 08.08.2019, CBDT has amended its aforesaid earlier Circular No.3/2018 dated 11.7.2018; and it has been directed that monetary limit for filing the Departmental appeal in Income Tax Cases be enhanced further and accordingly, the monetary limit for filing the appeal before the Appellate Tribunal have been enhanced to Rs. 50 lakhs through amendment of paragraph 3 of aforesaid Circular No. 3/2018 dated 11.07.2018. Aforesaid Circular No.17/2019 Dated 08.08.2019 has been issued to revise/enhance the monetary limit of tax effect to Rs.

50,00,000/- as compared to the monetary limit of Rs. 20,00,000/- *vide* CBDT's earlier Circular No. 3/2018 dated 11.7.2018; without, however, in any way amending any other material part of the aforesaid CBDT Circular dated 11.07.2018. More particularly, there is nothing in the aforesaid recent CBDT Circular No. 17/2019 dated 08.08.2019 to infer that direction contained in aforesaid earlier CBDT Circular No. 3 of 2018 dated 11.07.2018 to withdraw/not press existing appeals (below specified monetary limit of tax effect) already filed by Revenue in ITAT; does not continue to be applicable. Therefore, all the provisions of aforesaid earlier Circular No. 3/2018 dated 11.7.2018 shall apply *mutatis mutandis* to recent aforesaid CBDT Circular No. 17/2019 dated 08.08.2019 also. Accordingly, the direction in aforesaid earlier Circular dated 11.07.2018 to withdraw/not press Revenue's appeal with tax effect below Rs. 20,00,000/-; in view of recent aforesaid Circular dated 08.08.2019; is now to be read as direction to withdraw/not press Revenue's appeal with tax effect below revised/enhanced limit of Rs. 50,00,000/-.

B.2 For our aforesaid view, in the foregoing paragraph (B.1.2) of this order; we take strength from view expressed in a recent precedent in the case of *Income Tax Officer v. Dinesh Madhavlal Patel* [2019] 108 taxmann.com 211, 'A' Bench of Income Tax Appellate Tribunal, Ahmadabad [Coram: Justice P P Bhatt, President, and Pramod Kumar, Vice President] it was held, at paragraph 7 of the aforesaid order dated 14-08-2019, that relaxation in monetary limits for departmental appeals, *vide* CBDT circular dated 8th August 2019 (*supra*) shall be applicable to the pending appeals in addition to the appeals to be filed henceforth. This decision has already been *Dinesh Madhavlal Patel (supra)*, and the relevant portion of the aforesaid order 'A' Bench, ITAT, Ahmadabad, contained detailed discussion of the issue, is reproduced as under:

1. These 628 appeals and Cos pertain to the appeals are filed by various Assessing Officer, all these appeals call into question correctness of the relief granted to the taxpayers by the Commissioner of Income Tax (Appeals) and, most importantly, the tax effect involved in all these appeals does not exceed Rs. 50,00,000 in each of these appeals. The cross objections taken up for hearing are only such cross objections as emanate from these appeals and are broadly in support of the orders passed by the Commissioner (Appeals). In these cases, in the light of the discussions with the Principal Chief Commissioner of Income Tax (Gujarat) and representatives of the Ahmedabad ITAT Bar Association, individual notices are dispensed with; notices of hearing are given only through the notice board.

2. It is in this backdrop that we are pleased to take note of a very pragmatic and taxpayer friendly policy decision by the Government of India for reducing the income tax litigation. *Vide* CBDT circular dated 8th August, 2019, the income tax department has further liberalized its policy for not filing appeals against the decisions of the appellate authorities in favour of the taxpayers, wherein tax involved is below certain threshold limits, and announced its policy decision not to file, or press, the appeals, before this Tribunal, against the appellate orders favourable to the assessee in the cases in which overall tax effect, excluding interest-except when interest itself is in dispute, is Rs 50,00,000 or less. What it means, in plain words, is that when a Commissioner (Appeals) gives the taxpayer tax relief of upto Rs 50 lakhs in an appeal in an assessment year, the matter ends there and the relief so granted by the Commissioner (Appeals) cannot be challenged before this Tribunal, that when this Tribunal gives the taxpayer relief of upto Rs 1 crore in an appeal in an assessment year, the matter ends there and the relief so granted by the Tribunal cannot be challenged before the Hon'ble High Court, and that when Hon'ble High Court gives relief of upto Rs 2 crores to the taxpayer in an appeal in an assessment year, that relief cannot be challenged before Hon'ble Supreme Court. These monetary threshold limits for filing of appeals by the income tax authorities do not take into account interest and other corollaries of the tax demands being confirmed such as penalties, except when a penalty itself is subject matter of litigation, and prosecutions. The

enhancement of these monetary limits is at an unprecedented scale. The monetary limit for appeals before this Tribunal, which was Rs 3,00,000 till 10th July 2014, has been in effect enhanced to almost 1,700% in the last five years. This substantial relaxation is certainly a huge step which signifies trust reposed by the Government of India in the decisions of the appellate forums, and substantially cuts down time taken in the finality of the appellate process. It is indeed heartening to note that in one stroke, the Government has not only prevented, but has, in effect, set the stage for withdrawal of thousands of appeals before this Tribunal and before Hon'ble Courts above. In an environment in which retrospectivity was attached only to the taxation and not to tax reliefs or concessions, such an approach is a pleasant departure from legacy practices.

3. In view of the above factual background and the generous concession by this benevolent CBDT circular, all these appeals must be dismissed as withdrawn and the related cross objections must be dismissed as infructuous. There is, however, a small issue that we must deal with.

4. Smt. Aparna Agarwal, learned Departmental Representative, however, has a point to make. She points out that the circular dated 8th August 2019 is not clearly retrospective inasmuch as it specifically states in para 4 that "(t)he said modifications shall come into effect from the date of issue of this Circular". It is thus pointed out that this sentence gives an impression that is only after the date of the said circular that the departmental appeals will not be filed in the cases within the specified tax effect limits. We are urged to bear in mind the impact of this observation while giving effect to the circular dated 8th August, 2019. She however, hastens to add that she is yet to have any specific instructions on the issue and she leaves it for the bench to take the appropriate call. Learned representatives appearing for the taxpayers vehemently oppose the suggestion implicit in her submissions. All of them are unanimous in their argument that the circular must be held to have retrospective application and must equally apply to the pending appeals as well Shri J P Shah. Senior Advocate, points out that the circular dated 8th August 2019 is not a standalone circular and it is required to be read with the old circular no. 3 of 2018 which is what it seeks to modify. This circular, according to the learned counsel, only enhances the monetary limits and gives further relaxation. He urges us not to read the circular in a manner so as to nullify the underlying approach and object of reducing litigation. Shri Soparkar, learned Senior Advocate, submits that all that the present circular does is to modify the monetary limits and nothing more, and, therefore, it cannot be treated to follow any other approach other than the approach followed in the old circular. The old circular, beyond any dispute or controversy, categorically applied to the pending appeals as on the date of issuance of circular. Shri Tushar Hemani, learned Senior Advocate, points out that the circular dated 8th August 2019 only gives further relief not only in terms of the monetary limits but also in terms of the manner in which the application of circular to orders dealing with more than one year is to be made. Shri S N Divetia, learned counsel for the assessee, submits that unlike in the cases of earlier CBDT circulars, which used to be in supersession of earlier circulars on the issues, the circular dated 8th August 2019 only modifies the earlier circular which, *inter alia*, provided for its retrospective application. Our attention is invited to some judicial precedents in support of the contention that the benevolent circular, such as the one in question, is to be given effect in respect of the pending appeals as well. Ms. Urvashi Shodhan, learned counsel for the assessee, points out that its plainly contrary to the scheme of the litigation policy of the Government of India to give this circular only prospective effect. Shri S K Sadhwani, learned counsel for the assessee, invites our attention to the letter dated 16th July 2018 issued by Member CBDT to the all the Principal Chief Commissioners of Income Tax, in the context of circular dated 11th July 2018 that the present circular seeks to modify, seeking report on withdrawal of the appeals covered by the circular. He then points out that it is the old circular is still alive today and the only change is with respect to the monetary limits. In all fairness, therefore, the same approach regarding withdrawal of pending appeals must be followed for this circular as well. On the same lines, arguments are advanced by

the learned representatives which, for the sake of brevity and to avoid repetition, we are not referring to in more specific details. In brief rejoinder, learned Departmental Representative graciously leaves the matter to us.

5. Having considered the rival submissions and having perused the material on record, we do not have slightest of hesitation in holding that the concession extended by the CBDT not only applies to the appeals to be filed in future but it is also equally applicable to the appeals pending for disposal as on now. Our line of reasoning is this. The circular dated 8th August 2019 is not a standalone circular. It is to be read in conjunction with the CBDT circular No. 3 of 2018 (and subsequent amendment thereto), and all it does is to replace paragraph nos. 3 and 5 of the said circular. This is evident from the following extracts from the circular dated 8th August 2019:

2. As a step towards further management of litigation, it has been decided by the Board that monetary limits for filing of appeals in income-tax cases be enhanced further through amendment in Para 3 of the Circular mentioned above and accordingly, the table for monetary limits specified in Para 3 of the Circular shall read as follows:

<i>Sl.No.</i>	<i>Appeals/SLPs in Income-tax matters</i>	<i>Monetary Limit (Rs.)</i>
1.	Before Appellate Tribunal	50,00,000
2.	Before High Court	1,00,00,000
3.	Before Supreme Court	2,00,00,000

3. Further, with a view to provide parity in filing of appeals in scenarios where separate order is passed by higher appellate authorities for each assessment year *vis-a-vis* where composite order for more than one assessment years is passed, para 5 of the circular is substituted by the following para:

"5. The Assessing Officer shall calculate the tax effect separately for every assessment year in respect of the disputed issues in the case of every assessee. If in the case of an assessee, the disputed issues arise in more than one assessment year, appeal can be filed in respect of such assessment year or years in which the tax effect in respect of the disputed issues exceeds the monetary limit specified in para 3. No appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit specified in para 3. Further, even in the case of composite order of any High Court or appellate authority which involves more than one assessment year and common issues in more than one assessment year no appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit specified in para 3. In case where a composite order/judgment involves more than one assessee, each assessee shall be dealt with separately"

4. The said modifications shall come into effect from the date of issue of this Circular.

6. Clearly, all other portions of the circular no. 3 of 2018 (*supra*) have remained intact. The portion which has remained intact includes paragraph 13 of the aforesaid circular which is as follows:

13. This Circular will apply to SLPs/appeals/cross objections/references to be filed henceforth in SC/HCs/Tribunal and it shall also apply retrospectively to pending SLPs/appeals/cross objections/references. Pending appeals below the specified tax limits in para 3 above may be withdrawn/not pressed.

7. In view of the above discussions, we hereby hold that the relaxation in monetary limits for departmental appeals, *vide* CBDT circular dated 8th August 2019 (*supra*) shall be applicable to the pending appeals in addition to the appeals to be filed henceforth.'

B.2.1 Moreover, in the following precedents, Co-ordinate Benches of Income Tax Appellate Tribunal,

Delhi; have already taken the view that the aforesaid CBDT Circular No. 17/2019 dated 08.08.2019 shall also apply retrospectively to pending appeals:

- (i) Order dtd. 19-8-2019 of "F" Bench of ITAT, Delhi in [IT Appeal Nos. 5136 & 5137 (Delhi) of 2016 in the case of *ACIT v. Prateek Buildtech India (P.) Ltd.*
- (ii) Order dtd. 19-8-2019 of "B" Bench of [IT Appeal No. 4497 (Delhi) of 2016, in the case of *ITO v. BSA Homes (P.) Ltd.*
- (iii) Order dtd 19-8-2019 of "C" Bench of ITAT, Delhi in the case of *ACIT v. Isham System (P.) Ltd.* [IT Appeal No. 4276 (Delhi) of 2016,.

B.2.2 A perusal of the aforesaid recent CBDT Circular dated 08.08.2019 shows that minimum threshold limit of tax effect for filing of Special Leave Petition ('SLP' for short) in Hon'ble Supreme Court has also been enhanced to Rs. 2,00,000/-. Vide separate orders, each dated 16.08.2019, Hon'ble Supreme Court has already dismissed the following SLPs filed by Revenue earlier; since the tax effect involved in each of these cases was less than Rs. 2,00,000/-:

- (i) [Special Leave Petition (Civil) Diary 25086/2019, in the case of *CIT v. Hongkong and Shanghai Banking Corporation Ltd.* (Arising out of impugned final judgment and order dated 06-02-2019 in IT Appeal No. 1650/2016] passed by the High Court of Judicature at Bombay)
- (ii) [Special Leave Petition (Civil) Dairy No. 26373/2019 in the case of *DCIT v. EB Holding Co. Ltd.* (Arising out of impugned final judgment and order dated 25-01-2019] in WP No. 3642/2018 passed by the High Court of Judicature at Bombay)
- (iii) [Special Leave Petition (Civil) Diary No. 21497/2019 in the case of *Pr. CIT v. Keshav Power Ltd.* (Arising out of impugned final judgment and order dated 07-09-2018] in IT Appeal No. 277/2018 passed by the High Court of Delhi at New Delhi)
- (iv) [Special Leave Petition (Civil) Diary No. 25076/2019 in the case of *Pr. CIT v. Meenakshi Modi* (Arising out of impugned final judgment and order dated 24-01-2019] in DBITA No. 156/2018 passed by the High Court of Judicature for Rajasthan at Jodhpur)

B.2.3 Moreover, vide F.No. 279/Misc/M-93/2018-ITJ, dated 20th August, 2019; clarification has been issued by CBDT that revised monetary Limits mentioned in Circular No. 17/2019 is applicable to all pending SLPs/appeals/cross objections/references. It reads as under:

"F. No. 279/Misc/M-93/2018-ITJ

Government of India

Ministry of Finance

Department of Revenue

Central Board of Direct Taxes

Room No. 12, 5th Floor, Jeevanvihar Building, Parliament Street, New Delhi. Dated the 20th August, 2019.

To,

All Pr. Chief Commissioners of Income Tax

Sub: Withdrawal of Pending cases after Enhancement of Monetary Limits matter reg; Ref. Circular No. 17/2019 dated 8th August, 2019 (F.No. 279/Misc. 142/2007-ITJ(Pt) and Circular No. 3 of 2018.

Sir,

Kindly refer to the aforesaid subject. Representations have been received from the field, seeking clarifications on applicability of Circular 17 of 2019 on pending appeals.

2. In this regard, it is stated that Circular 17 of 2019 relaxes the monetary limits as mentioned in the table there in and all other paras, except para 5 of Circular 3, relating to composite orders shall be applicable in toto.

3. Therefore, it is clear that the revised monetary limits so mentioned in circular 17/2019 is applicable, to all pending SLPs/appeals/cross objections/references. All such pending appeals within the revised limits shall be withdrawn on or before 31.10.2019 and a fortnightly report as to progress on withdrawals should be submitted to Board, by 15th & 31th of every month.

4. This issues with the approval of the Chairman, CBDT.

Encl. as above

Yours faithfully,

Sd/-

(AbhishekGautam)

DCIT (OSD) (ITJ-I), CBDT

Tele: 011-23741832

Copy to: 1. Pr. DCIT (L&R) for kind information & necessary action

2. Database Cell for uploading on irsofficeronline."

B.3 In view of the foregoing discussion, and respectfully following the precedents mentioned in foregoing paragraphs (B.2), (B.2.1) and (B.2.2) of this order, we are of the firm view that the revised/enhanced minimum threshold limit of tax effect of Rs. 50,00,000/- *vide* aforesaid recent CBDT Circular No. 17/2019 dated 08.08.2019 is applicable not only for appeals to be filed by Revenue in future; but also for appeals already filed by Revenue in ITAT. Accordingly, in view of the aforesaid recent CBDT Circular No. 17/2019 dated 08.08.2019; the direction in aforesaid earlier Circular dated 11.07.2018 to withdraw /not press Revenue's appeal with tax effect below Rs. 20,00,000/-; is now to be read as direction to withdraw/not press Revenue's appeal with tax effect below revised/enhanced limit of Rs. 50,00,000/-. By necessary implication, therefore, all existing appeals in ITAT, having tax effect below the revised/enhanced limit of Rs. 50,00,000/-, are to be treated as withdrawn/not pressed; and are, not maintainable. We also hold, in view of the foregoing, that the relaxation in monetary limits for filing of appeals by Revenue in ITAT, *vide* aforesaid CBDT Circular dated 08.08.2019 shall be applicable also to the pending appeals in ITAT already filed by Revenue. It is well settled that CBDT Circulars and Instructions, which are beneficial for assessee, are binding on the authorities below. Accordingly, this appeal filed by Revenue is treated as withdrawn/not pressed by Revenue; and held to be not maintainable having regard to the aforesaid CBDT Circular dated 08.08.2019. We clarify that Revenue will be at liberty to approach Income Tax Appellate Tribunal seeking recall of this order and, for restoration of the appeal, if it is found that appeal of Revenue is not covered by aforesaid CBDT Circular dated 08.08.2019.

(C) In the result, this appeal is dismissed being withdrawn/not pressed and not maintainable.

sunil

*In favour of assessee.