IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.272 OF 1998

Commissioner of Income Tax,
Bombay City V, Bombay ... Applicant
v/s
M/s Greaves Cotton and Co.Ltd.
Bombay 23 ... Respondent

Mr Suresh Kumar for Applicant.
Ms Aarti Vissanji with Mr S.J. Mehta i/b M/s S.P. Mehta and Co. for Respondent.

CORAM : M.S. SANKLECHA AND B.P. COLABAWALLA JJ.

DATE : 11TH FEBRUARY, 2016

P.C.:-

1. This Reference under section 256(1) of the Income Tax Act 1961 relates to AYs 1977-78 and 1978-79.

2. Mr Suresh Kumar, learned counsel for the Revenue states that the tax effect involved in both the Assessment Years is less than Rs.10 lakhs. He further states that in view of the Central Board of Direct Tax Circular No.21/15 dated 10th December 2015, the Revenue has been directed not to challenge the orders of the Tribunal before this Court where the tax effect

is less than the threshold limits of Rs.20 lakhs.

3. The above Circular further directs that pending Appeals having a tax effect of less than Rs.20 lakhs would either be not pressed or withdrawn.

4. Mr Suresh Kumar further invites our attention to the decision of this Court in CIT, Bombay City I v/s M/s Sunny Sounds Pvt.Ltd. in ITR No.213 of 1997, rendered on 8th January 2016 wherein this Court has taken a view that the aforesaid Circular No.21/2015 dated 10th December 2015 would also apply to pending References.

5. In the above view, Mr Suresh Kumar states that he has instructions not to press the present Reference. It thus appears that the Applicant is not interested in pursuing the Reference. The same is returned unanswered. However, the question as framed for our opinion is left open for consideration in an appropriate case.

6. Reference disposed of. No order as to costs.

(B.P.COLABAWALLA, J.) **(M.S. SANKLECHA, J.)**