

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION**

**INCOME TAX APPEAL NO. 4537 OF 2010  
WITH  
INCOME TAX APPEAL NO. 238 OF 2011**

**The Director of Income Tax (Exemption) .. Appellant  
v/s.**

**M/s. Parmananddas Jivandas Hindu Gymkhana ..Respondent**

**Mr. Suresh Kumar for the appellant  
Mr. B.D. Damodar i/b Kanga & Co. for the respondent**

**CORAM : M.S. SANKLECHA &  
A.M. BADAR, J.J.**

**DATED : 29<sup>th</sup> APRIL, 2016.**

**PC.**

1. These Appeals relate to Assessment Years 1998-99 and 2003-04. Both the appeals have been filed by the Revenue from a common impugned order 26<sup>th</sup> February, 2009 disposing of the appeals for the Assessment Years 1998-99 and 2003-04.

2. Mr. Suresh Kumar, learned Counsel appearing for the Revenue invited our attention to Circular No.21 of 2015 issued by the Central Board for Direct Tax dated 10<sup>th</sup> December, 2015. In particular, our attention invited to paragraphs 3, 5 and 10 therein which read as under:-

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

| Sr. 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. .... However, in case of a 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, appeal shall be filed in respect of all such assessment years even if the 'tax effect' is less than the prescribed monetary limits in any of the year(s), if it is decided to file appeal in respect of the year(s) in which 'tax effect' exceeds the monetary limit prescribed. In case where a composite order / judgment involves more than one assessee, each assessee shall be dealt with separately.”

**“10:-** This instruction will apply retrospectively to pending appeals and appeals to be filed henceforth in High Courts/ Tribunals. Pending appeals below the specified tax limits in para 3 above may be withdrawn/not pressed. Appeals before the Supreme Court will be governed by the instructions on this subject, operative at the time when such appeal was filed.”

3. In the present cases, the tax effect as mentioned in paragraph 10 of the each of the two Appeal Memos is as under :-

| Appeal No.   | Assessment Year | Amount (Tax effect) |
|--------------|-----------------|---------------------|
| 4537 of 2010 | 2003-04         | 9.26 lakhs          |
| 238 of 2011  | 1998-99         | 3 lakhs             |

4. As none of the two appeals have a tax effect of Rs.20,00,000/- or more, Mr. Suresh Kumar, learned Counsel appearing for the Revenue does not press these appeals.

5. Accordingly, both **Appeals are dismissed** as not pressed.

6. Refund of Court Fees, as per Rules.

(A.M. BADAR, J.)

(M.S. SANKLECHA, J.)