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IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO.1835 OF 2014
WITH
INCOME TAX APPEAL NO.84 OF 2015

The Commissioner of Income Tax-I ..Appellant
Versus
Mahabal Auto Ancillaries Pvt.Ltd. ..Respondent

....

Mr. Tejveer Singh for the Appellant.
None for the Respondent.

....

CORAM: M. S. SANKLECHA &
A. K. MENON, JJ.

DATE : 23rd MARCH, 2017

P.C.

1. Income Tax Appeal No.84 of 2015 is not on board. Mentioned. Upon mentioning taken up for consideration along with Income Tax Appeal No.1835 of 2014 which is on board.

2. These two Appeals relate to Assessment Years 2006-07 and 2007-08. Both these appeals have been filed by the Revenue from a common impugned order dated 28th February, 2014 disposing of two appeals for the Assessment Years 2006-07 and 2007-08.

3. Mr. Tejveer Singh, learned Counsel appearing for the Revenue invited our attention to Circular No.21 of 2015 issued by the Central Board for Direct Tax dated 10th 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 Pending appeals below the specified tax limits in para 3 above may be withdrawn/not pressed.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."*

4. 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)
1835 of 2014	2006-07	4.89 lakhs
84 of 2015	2007-08	2.10 lakhs

5. As none of the two appeals have a tax effect of Rs.20,00,000/- or more, they are not hit by para 5 of CBDT Circular No.21/2015. Mr. Tejveer Singh, learned Counsel appearing for the Revenue, on instructions, does not press any of the two Appeals.

6. Accordingly, both the **Appeals are dismissed,** as not pressed.

7. Refund of Court Fees, as per Rules.

(A. K. MENON, J.) **(M. S. SANKLECHA, J.)**

Wadhwa