

HIGH COURT OF CHHATTISGARH, BILASPUR

- Deputy Commissioner Of Income Tax 1 , Bhilai, District- Durg, Chhattisgarh.

Versus

- Bhojraj Lal Chand Nawani 10-11, Kamla Bhawan, Industrial Estate, Goregaon (E), Mumbai, Maharashtra.

---- Respondent

For Applicant :- Shri Amit Chaudhary, Advocate and
Ms. Naushina Afrin Ali, Advocate

**Hon'ble Shri Prashant Kumar Mishra &
Hon'ble Shri Parth Prateem Sahu, JJ.**

Order On Board

By

Prashant Kumar Mishra, J.

16/09/2019

1. It is argued that TAXC No.11 of 2019, has been dismissed applying the Central Board Direct Taxes (in short “the CBDT”) circular dated 11.07.2018 whereby the CBDT has directed that the Department Appeals may be filed on merits before the Income Tax Appellate Tribunal, High Courts and SLPs/Appeals before the Supreme Court keeping in view the monetary limits for the High Courts.

2. Applying the circular, the tax case was dismissed however, the same circular also says that when the issue falls within the exception clause, the same shall not be hit by the monetary limit. Referring to clause 10(e) of the circular, it is argued that where the addition is based on information received from external sources, the exception clause would apply and the ceiling of monetary limit would not apply.
3. Having heard learned counsel for revenue and having seen the subject clause 10(e), it appears the same would apply where addition is based on information received from external sources in the nature of law enforcement agencies such as CBI/ ED/ DRI/ SFIO/ Directorate General of GST Intelligence (DGGI). In the case at hand the information on the basis of which this MCC has been filed was received from the Department of Sales Tax of the State of Maharashtra. Thus, the said information having not emanated from the CBI/ ED/ DRI/ SFIO/ DGGI, clause 10(e) would have no application.
4. In our considered view, the TAXC No.11 of 2019, was rightly dismissed being hit by the Circular dated 11.7.2018 read with the amendment in the said circular vide subsequent CBDT circular dated 20.08.2018.
5. The MCC deserves to be and is accordingly dismissed.

SD/-
(Prashant Kumar Mishra)
Judge

SD/-
(Parth Prateem Sahu)
Judge