



Suzana

IN THE HIGH COURT OF BOMBAY AT GOA**TAX APPEAL NO.27 of 2024**

The Pr. Commissioner of Income Tax

... Petitioner*Versus*

Zuari Agro Chemical Ltd.

... Respondent**Ms Amira A. Razaq, Standing Counsel for the Petitioner.****Mr Arjun Jain, Advocate (through V.C.) with Ms Anushree Narain, Ms Ketki Pednekar and Mr Gustavo Monteiro, Advocates for the Respondent.****CORAM****: BHARATI DANGRE &
NIVEDITA P. MEHTA, JJ.****DATED****: 30th JUNE, 2025.****P.C:**

1. In the Appeal filed by the Revenue under Section 260A of the Income Tax Act, 1961, the aggregate Tax-effect involved is Rs.8,52,800/- and since the said amount is below Rupees Two Crores, in light of the Circular No.5/2024 and 9/2024 issued by the Government of India, Ministry of Finance, Central Board of Direct Taxes, which has set out the monetary limit for filing Income Tax Appeals by the Department before the Appellate

Tribunal, High Courts, as well as the Apex Court, the Appeal do not deserve consideration.

2. Ms Amira Razaq, learned Standing Counsel for the Revenue do not dispute that the tax effect involved in the Appeal is below the threshold set out by the CBDT Circular. However, she would submit that the present Appeal is filed in terms of the decision of the Office of the Principal Commissioner of Income Tax, Bengaluru, directing that all matters involving DIN should be challenged before the jurisdictional High Courts.

With regard to the said submission, we are of the view that the Circular issued by the CBDT binds everyone and this also include the Principal Commissioner of Income Tax as according to us, the Circular issued by the CBDT fixing the threshold limit, has a statutory effect and reading of the said Circular along with Section 260A of the Income Tax would lead to an inference that Revenue can prefer an Appeal only if a case raises substantial question of law subject to monetary limit stipulated by CBDT. Since the Circular of CBDT even bind the Revenue, the Appeal cannot be entertained and hence, the same is dismissed.

NIVEDITA P. MEHTA, J.

BHARATI DANGRE, J.