IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
INTERIM APPLICATION NO.3373 OF 2025
IN
INCOME TAX APPEAL NO.827 OF 2020

Pr. Commissioner of Income Tax-8 .. Applicant / Appellant

In the matter between :
Pr. Commissioner of Income Tax-16 .. Appellant

Versus

Re n Raga Media Pvt. Ltd. .. Respondent

Mr. Suresh Kumar, *Advocate for the Applicant / Appellant.*

CORAM: B. P. COLABAWALLA &
AMIT S. JAMSANDEKAR, JJ.
DATE: SEPTEMBER 20, 2025

P. C.

1. The above Interim Application is filed to restore the above Appeal to file which was withdrawn by the Appellant – Revenue on 10th October, 2024.

2. On 10th October, 2024, a statement was made on behalf of the Revenue that it would withdraw the above Appeal in light of the Circular dated 17 September, 2024 issued by the Central Board of Direct Taxes ("CBDT"). It was stated that the disputed tax effect involved in the above Appeal for the

Assessment Year 2009-2010 was Rs.1.17 Crores, and hence below the monetary limits as set out in the Circular dated 17th September, 2024. In this light, and because of the low tax effect involved in the above Appeal, the Appeal was allowed to be withdrawn with liberty to revive the Appeal in the event the tax effect involved was not within the parameters of the Circular dated 17th September, 2024.

3. According to the Revenue, they seek revival of the above Appeal because though the tax effect is below the monetary limits as set out in the CBDT Circular dated 17th September, 2024, the present case would fall within exception 3.1(h) of the CBDT Circular dated 15th March, 2024. According to the Revenue, once this is the case, then notwithstanding the low tax effect, the Revenue can proceed to prosecute the above Appeal. It is in this light, they seek restoration of the above Appeal.

4. We have heard the learned advocate appearing on behalf of the Appellant – Revenue. It is not in dispute that the tax effect in the present Appeal is below the monetary limits as set out in the CBDT Circular dated 17th September, 2024. As far as the issue of the exception carved out in the paragraph 3.1(h) of the Circular dated 15th March, 2024 is concerned, we find that the reliance placed on the said exception is wholly misplaced. It is now

well settled by this Court that the exception carved out by the CBDT Circular would apply only prospectively, i.e., from the date of introduction of such exception. In other words, the exception would not apply if they were introduced after the filing of the Appeal. In the facts of the present case, the above Appeal was filed on 20th November, 2019. On the other hand, the exception relied upon by the Revenue was brought about only on 15th March, 2024. In these circumstances, the exception relied upon by the Revenue in the Circular dated 15th March, 2024 cannot be a justification for prosecuting the above Appeal that was filed on 20th November, 2019.

5. As mentioned earlier, the aforesaid preposition is well settled by a series of decisions of this Court. One such decision is in the case of ***Pr. Commissioner of Income Tax - 29 Vs. M/s. Sunraj Industries [Income Tax Appeal No.2263 of 2018 decided on 13th August, 2025]***. The relevant portion of this decision is reproduced hereunder :-

> *"4. We have considered the Revenue's contentions. The precedent on this subject/contention of the Revenue, is set out in the case of The Principal Commissioner of Income Tax v/s Premier Industrial Corporation Ltd [(2025) 172 Taxmann.com 289 (Bom)]. Paragraphs 7 and 8 of this decision read thus:-*
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> > *"7. The CIT v. V. M. Salgaonkar and Brothers (P) Ltd. [2024] 169 taxmann.com 597 (Bombay), our orders dated 05 February 2025 in Income Tax Appeal No. 643 of 2018 concerning Pr. CIT v. IPL Loan Trust [2025] 171 taxmann.com 725 and connected matters*

and order dated 12 February 2025 in Income Tax Appeal No.1998 of 2018 (Pr. CIT v. Axis AD Print Media (India) Ltd.) and connected appeals hold that the monetary limits prescribed in CBDT Circulars would apply to pending appeals. Still, the exceptions carved out by the CBDT Circulars would apply only prospectively i.e. from the date of the introduction of such exception.

8. *Admittedly, before 20 August 2018, these appeals were not covered by any exceptions. However, these appeals were filed because they were beyond the monetary limits prescribe then. The monetary limits have now been revised. These revised monetary limits would also apply to the pending appeals as held in the above precedents. By applying the revised monetary limits to the pending appeals and noting that the exception upon which the Revenue relies was unavailable before 20 August 2018, we uphold the objection on behalf of the assessee and dispose of these two appeals without any cost orders".*

(emphasis supplied)

5. *As can be seen from this reproduction, this Court has time and again held that the monetary limits prescribed in the CBDT Circulars will apply to pending Appeals as well. In other words, for the purposes of the monetary limits, the Circular dated 17th September 2024 would apply to the present Appeal. However, this Court has held time and again that the exceptions carved out by the CBDT Circulars would apply only prospectively and would have no application, if they were introduced after the filing of the Appeal. Admittedly, in the present case, the Appeal was filed on 20th March 2018, while the exception the Revenue relies upon was introduced vide Circular dated 20th August 2018. Hence, the exception relied upon by the Revenue in the Circular dated 20th August 2018 cannot be a justification for prosecuting the above Appeal that was filed on 20th March 2018."*

6. In view of the aforesaid discussion, we find that no case is made out for restoration of the above Appeal, since admittedly the tax effect was below monetary limits set out in the CBDT Circular dated 17th September, 2024. The above Appeal was correctly withdrawn on 10th October, 2024.

7. The above Interim Application is accordingly dismissed. However, there shall be no order as to costs.

8. This order will be digitally signed by the Private Secretary/ Personal Assistant of this Court. All concerned will act on production by fax or email of a digitally signed copy of this order.

[AMIT S. JAMSANDEKAR , J.] **[B. P. COLABAWALLA, J.]**

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