

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 30<sup>TH</sup> DAY OF AUGUST, 2019

PRESENT

THE HON'BLE MR.JUSTICE L. NARAYANA SWAMY

AND

THE HON'BLE MR.JUSTICE R. DEVDAS

**INCOME TAX APPEAL No.2/2015**

BETWEEN:

1. THE COMMISSIONER OF INCOME TAX  
C R BUILDING, QUEENS ROAD  
BANGALORE
2. THE DEPUTY COMMISSIONER OF INCOME TAX  
CIRCLE-11(3), R P BHAVAN  
NRUPATHUNGA ROAD  
BANGALORE-560001 ... APPELLANTS

(BY SRI K.V.ARAVIND & SRI DILIP M., ADVS.)

AND:

- M/S GOPALAN ENTERPRISES  
INDIA PVT LTD  
NO. 5, RICHMOND ROAD  
NO.48, MUSEUM ROAD  
BANGALORE-560025 ... RESPONDENT

(BY SMT.S.R.ANURADHA, ADV.)

THIS ITA IS FILED UNDER SECTION 260-A OF INCOME TAX ACT 1961, ARISING OUT OF ORDER DATED:18/07/2014 PASSED IN ITA NO.921/BANG/2013, FOR THE ASSESSMENT YEAR 2004-2005.

PRAYING TO: 1. FORMULATE THE SUBSTANTIAL QUESTIONS OF LAW STATED ABOVE. 2. ALLOW THE APPEAL AND SET ASIDE THE ORDER PASSED BY THE ITAT, BANGALORE IN ITA NO.921/BANG/2013 DATED:18/07/2014 CONFIRMING THE ORDER OF THE APPELLATE COMMISSIONER AND CONFIRM THE ORDER PASSED BY THE DEPUTY COMMISSIONER INCOME TAX, CIRCLE-11(3), BANGALORE.

THIS ITA COMING ON FOR HEARING, THIS DAY, **DEVDAS J.**, DELIVERED THE FOLLOWING:

**JUDGMENT**

The learned counsel for the appellant-Revenue brings to the notice of this Court a Circular bearing No.17 of 2019 dated 08<sup>th</sup> August, 2019 wherein the further enhancement of monetary limit for filing of appeals by the Departments before the Income-Tax Appellate Tribunals, High Courts and Special Leave Petitions/Appeals before the Supreme Court stands amended, and by the said amendment the earlier monetary limit of Rs.50,00,000/- (Rupees fifty lakh) has not been raised to Rs.1,00,00,000/- (Rupees one crore). The earlier monetary limit was prescribed as per Circular No.3 of 2018 dated 11<sup>th</sup> July, 2018. In the light of the same, the learned counsel submits that the appeal is not maintainable and in view of the Circular, the appeal may be permitted to be withdrawn. Further, the learned counsel would also draw the attention of this Court to Clause 10

of the Circular No.3 of 2018 dated 11<sup>th</sup> July, 2018 wherein certain exceptions are carved out. The learned counsel submits that at the present stage it may not be possible for him to submit whether the matter falls under any of the exceptions. Therefore, it is prayed that liberty may be reserved to the appellants to move this Court, if it is found that the matter falls within the exception carved out in Clause 10 of Circular bearing Number 3 of 2018.

2. On the query of the Court as to whether the Circular is applicable to pending matters, the learned counsel draws the attention of this Court to the communication dated 20<sup>th</sup> August, 2019 made by the Central Board of Direct Taxation to all the Chief Commissioners of Income Tax clarifying at paragraph No.3 that the monetary limit prescribed in Circular No.17 of 2019 is applicable to all pending Special Leave Petitions, Appeals, Cross Objections and References.

3. In view of the above, we permit the appellant to withdraw the appeal for the reasons stated above. Liberty is also granted to the appellant to seek revival of this appeal, if it is

found that the matter falls within the exception carved out in Clause 10 of Circular bearing No.3 of 2018.

**Sd/-  
JUDGE**

**Sd/-  
JUDGE**

Inn