Principal Commissioner of Income Tax v. H.P. State Forest Corporation Ltd.

OMP No.29 of 2020 with Income Tax Appeal No.49 of 2016

Supplied court judgment; no neutral citation stated | 2020-01-09

Withdrawal allowed under historical Circular 17/2019: recorded tax effect Rs.83,83,000 below the stated Rs.1 crore threshold; parties to bear their own costs.

Division Bench | Tarlok Singh Chauhan | Chander Bhusan Barowalia

01 FACTS OF THE CASE

Revenue applied through OMP 29/2020 to withdraw ITA 49/2016 under CBDT Circular 17/2019 dated 8 August 2019. The Court recorded a monetary limit of Rs.1,00,00,000 and tax effect of Rs.83,83,000 in this appeal.

Source: PDF p.1

02 DISCUSSION BY THE HON'BLE COURT

The Court considered the appeal covered by the circular because of the recorded tax effect and allowed the application. It did not explain the components of that figure or decide the underlying tax question.

Source: PDF pp.1–2

03 JUDICIAL DECISION

Revenue was permitted to withdraw the appeal in view of the circular, leaving the parties to bear their own costs.

Source: PDF p.2

04 OUTCOME / IN WHOSE FAVOUR

The appeal ended on the recorded circular ground with no costs shifted between the parties. The tax-effect figure is not a merits adjudication or a quantified refund direction.

Source: PDF pp.1–2

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05 EXPERT COMMENTS

The judgment gives a concrete historical threshold comparison — Unlike an order that merely names a circular, this source expressly records both Rs.83,83,000 as tax effect and Rs.1,00,00,000 as the applicable monetary limit it described under Circular 17/2019. That comparison explains why the Court treated this appeal as covered. It is a report of the Court's reasoning on 9 January 2020, not a representation that the same threshold governs an appeal filed or considered today. (Source: PDF p.1).

Tax effect is not an amount ordered to be refunded or deleted — The stated Rs.83,83,000 is identified as tax effect for the withdrawal decision. The order supplies no underlying addition, tax computation, assessment year or interest and penalty breakdown. It does not direct payment of that sum to the respondent, delete an addition of that amount or calculate a tax saving. Those different fiscal descriptions would materially overstate what this procedural order establishes. (Source: PDF pp.1–2).

The costs direction is express and should accompany the result — The Court allowed the withdrawal application and permitted withdrawal of ITA 49/2016, with each side bearing its own costs. That allocation is part of the operative disposition. It does not decide the substantive legality of the assessment or confer an independently quantified compensation entitlement. No express restoration liberty, fresh-filing permission or subsequent result appears in the supplied judgment. (Source: PDF p.2).

Both connected dockets are retained without duplicating the note — OMP 29/2020 and ITA 49/2016 are dealt with in one complete two-page source; one canonical publication retains both. The State Forest Corporation identity and these dockets keep this withdrawal distinct from similarly worded circular disposals for other taxpayers. Although the Court found the appeal covered, the short text contains no separate exception-by-exception analysis or reasoned adjudication of the underlying tax merits. (Source: PDF pp.1–2).

Source: PDF pp.1–2

SOURCE & VERIFICATION

Original court judgment / order

Full original read; every original page visually inspected.

STATUTORY SCOPE

Provisions and historical figures are recorded only as addressed in this judgment. No current statutory position or subsequent-treatment clearance is represented.

LATER TREATMENT

Appeal, review, recall and stay status has not been independently confirmed.

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