Assistant Commissioner of Income Tax / Income Tax Officer 1(1), Bhilai v. Jayshree Paddy Processor Pvt. Ltd.

TAXC No. 22 of 2025

2025:CGHC:54595-DB | TAXC No. 22 of 2025 | 2025-11-10

Low-tax-effect disposal under section 268A and CBDT Circular No. 9/2024 dated 17.09.2024 (modifying Circular No. 5/2024 dated 15.03.2024): Revenue's appeal disposed of as tax liability is below the enhanced Rs. 2 crore High Court monetary threshold.

Income-tax Act, 1961: section 268A; CBDT circular dated 17 September 2024

High Court of Chhattisgarh | 2-judge bench (Division Bench) | Rajani Dubey, J. | Amitendra Kishore Prasad, J.

Assessment years:

Low-tax-effect disposal under CBDT Circular dated 17.09.2024 (Rs. 2 crore threshold)

Disposes of TAXC No. 22 of 2025 solely on the monetary threshold of Rs. 2 crore without adjudicating the merits.

01 FACTS OF THE CASE

Revenue requested disposal of TAXC 22 of 2025 against Jayshree Paddy Processor, submitting that the tax liability was below Rs. 2 crore and invoking the CBDT circular dated 17 September 2024. The order states no assessment year, exact tax effect or underlying issue.

Source: PDF pp. 1-2, para 1

02 DISCUSSION BY THE HON'BLE COURT

The Bench found the request fair and reasonable and reproduced the circular: the High Court limit was Rs. 2 crore; exceptions in paragraphs 3.1 and 3.2 of Circular 5/2024 remained; and paragraph 5 extended the modified limits to pending appeals. The quoted circular invokes section 268A.

Source: PDF pp. 2-4, paras 2-3

03 JUDICIAL DECISION

Accepting Revenue's submission that the amount was below Rs. 2 crore, the Court disposed of this Tax Case in light of paragraph 5 of the circular dated 17 September 2024.

Source: PDF p. 4, para 4

04 OUTCOME / IN WHOSE FAVOUR

Low-tax-effect disposal benefiting the assessee procedurally. The Court did not decide an addition, exemption or other substantive tax question.

Source: PDF p. 4, para 4

05 EXPERT COMMENTS

Pending appeals are expressly covered — The operative paragraph relies on paragraph 5 of the circular, which applies the modifications from issue and also to pending appeals. That is the precise textual basis for closing this case; it should not be expanded into retrospective alteration of assessment law or approval of the underlying tax result.

The threshold does not stand alone — The reproduced circular preserves specified exceptions and says that even an amount above the limits does not by itself justify an appeal. This order records a concession and disposal, not a reasoned examination of an exception. A different appeal therefore requires its own tax-effect and exception analysis under the applicable circular.

Keep the disposal distinct from a merits precedent — No underlying assessment issue or computation is reproduced. The dispositive words are that the Tax Case stands disposed of; they do not decide the correctness of the lower forum's reasoning. The source supports procedural closure on the stated amount, without a substantive ratio on tax liability.

Source: Editorial analysis; source references in the structured comments

SOURCE & VERIFICATION

High Court of Chhattisgarh official judgment PDF - AKHB Cloud Repository (20251110_CGHC010016442025.pdf)

4-page official High Court of Chhattisgarh judgment PDF (20251110_CGHC010016442025.pdf).

All 4 original pages read and visually inspected; source hash verified. AI-assisted substantive correction.

Open cited source rendition

Source bytes and identity checked; see panel-specific references and disclosed source anomalies.

STATUTORY SCOPE

Section 268A appears in the quoted circular. Section 260A is not expressly cited. The note describes the circular as reproduced in this order, without representing its current status.

LATER TREATMENT

Source checked 2026-10-21. Subsequent treatment not independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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