IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH : NAGPUR

INCOME TAX APPEAL NO.20/2025
The Pr. Commissioner of Income Tax-1, Nagpur .Vs. Ashok Gopikisan Taori
AND
INCOME TAX APPEAL NO.40/2025
The Pr. Commissioner of Income Tax-1, Nagpur .Vs. Ashok Gopikisan Taori

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Office Notes, Office Memoranda of Coram, appearances, Court's orders of directions and Registrar's orders	Court's or Judge's orders

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Mr.Anand Parchure and Mr. Bhushan Mohata, Advocates for appellant
Mr. Rohit Thakar, Advocate for respondent.

CORAM : ANIL L. PANSARE AND NIVEDITA P. MEHTA, JJ.
DATE : MARCH 27, 2026.

Counsel for petitioner submits that the issue involved is covered by judgment in the case of ***Commissioner of Income Tax .Vs. V. M. Salgaonkar and Brothers Pvt. Ltd. [Tax Appeal No.47/2017]***, wherein this Court at Principal Seat held that circular No.5/2024, dated 15.03.2024, which is under question, cannot be applied with retrospective effect.

2. Reference is made in context with the fact that the appeal filed by Revenue ought to have been filed in terms of Circular then prevailing viz. dated 20.08.2018, which provides for exception to file appeal despite tax effect is below permissible limit. One of the exceptions is that when additional information is received from the law enforcement agency such as CBI, ED, DRI, SFIO, DGGI.

3. This circular has been amended by way of circular under question i.e. Circular No.5/2024. The amended portion reads thus:

> *"3.1 Monetary limits given in paragraph 4 with regard to filing appeal/SLP shall be applicable to all cases including those relating to TDS/TCS under the Act with the following exceptions where the decision to appeal/file SLP shall be taken on merits, without regard to the tax effect and the monetary limits:*
> *a. & b. …*
> *c. Where the assessment is based on information in respect of any offence alleged to have been committed*

> *under any other law received from any of the law enforcement or intelligence agencies such as CBI, ED, DRI, SFIO, NIA, NCB, DGGI, state law enforcement agencies such as State Police, State Vigilance Bureau, State Anti-Corruption Bureau, State Excise Department, State Sales/Commercial Taxes or GST Department, or..."*

4. As could be seen, in addition to five Central agencies envisaged earlier, the revenue has now added NIA, NCB of the Central law enforcement agency and other State law enforcement agency such as State Police, State Vigilance Bureau, State Anti Corruption Bureau, State Excise Department, State Sales/Commercial Taxes or GST department, etc.

5. In the present case, the additional information is received from State Police. The question, therefore, is whether extended meaning can be given to the "law enforcement agency" mentioned in the circular dated 20.08.2018 to include "State Police".

6. In our view, it cannot be, considering the fact that the circular was specific, moreso because by way of amendment, the Revenue has, in March, 2024, decided to add few other agencies including "State Police". That apart, the Division Bench in *Commissioner of Income Tax .Vs. V. M. Salgaonkar and Brothers Pvt. Ltd.* (supra) has held that the circular has no retrospective effect meaning thereby that the additional information received at that time was not received from law enforcement agency enumerated in the circular then prevailing. Thus, no substantial question is involved in these appeals.

7. Nonetheless, the counsel for Revenue seeks time to have research on the point. Time is granted.

8. Stand over to 17.04.2026

(JUDGE) **(JUDGE)**

Kahale