

आयकर अपीलीय अधिकरण 'सी' न्यायपीठ, चेन्नई।
IN THE INCOME TAX APPELLATE TRIBUNAL
'C' BENCH: CHENNAI

श्री एबी टी. वर्की, न्यायिक सदस्य एवं सुश्री पदमावती यस, लेखा सदस्य के समक्ष
BEFORE SHRI ABY T. VARKEY, JUDICIAL MEMBER AND
MS. PADMAVATHY.S, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No. 2913/Chny/2025
निर्धारण वर्ष /Assessment Year: 2018 - 19

The Dy. Commissioner of Income
Tax,
Corporate Circle-(1), Coimbatore

(अपीलार्थी/Appellant)

M/s Sakthi Sugars Limited
Vs. 180, Race Course Road,
Coimbatore, Tamil Nadu-641018
[PAN AADCS 0651 B]

(प्रत्यर्थी/Respondent)

अपीलार्थी की ओर से/ Appellant by
प्रत्यर्थी की ओर से /Respondent by

: Mr. Bipin C.N, CIT
: Mr. R Vijayaraghavan Advocate

सुनवाई की तारीख/Date of Hearing
घोषणा की तारीख /Date of Pronouncement

: 11.02.2026
: 17.02.2026

आदेश / ORDER

PER PADMAVATHY.S, A.M:

This appeal by the revenue is against the order of the Commissioner of Income Tax (Appeals)/National Faceless Appeal Centre (NFAC), Delhi, (in short "CIT(A)") passed u/s. 250 of the Income Tax Act, 1961 (in short "the Act") dated 25.08.2025 for Assessment Year (AY) 2018-19.

2. The assessee is a company and filed the return of income for AY 2018-19 on 5.10.2018 declaring a business loss of ₹ 92, 70, 56, 472/-. The case is selected for scrutiny and the statutory notices were duly served on the assessee. The assessment was completed under section 143(3) accepting the

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income returned by the assessee. Subsequently the assessing officer noticed that the assessee has repaid loan to the tune of Rs.8,35,00,000/- in contravention of the provisions of section 269T of the act. The assessing officer therefore issued the notice under section 148A(b) calling on the assessee to furnish the relevant details. The assessing officer passed order under section 147 without making any additions. However the assessing officer has stated in the assessment order that the assessee has infringed the provisions of section 269T related to the repayment of loan. The assessee filed further appeal before the CIT(A). The CIT(A) held that that the legislative intent behind 269T is to curb black money and in assessee's case since the loan is settled by the assessee through book entries there is no violation under section 269T. The CIT(A) also held that the proceedings initiated under section 147 on the ground that infringement of the provisions of section 269T cannot be a ground for reopening since there is no escapement of income. The revenue is an appeal before the tribunal against the order of the CIT(A).

3. We heard the parties and perused the material on record. We notice that in the assessment completed under section 147 the assessing officer did not make any addition. Therefore there is no tax demand that is arising out of the impugned assessment order. The Central Board of direct taxes (CBDT) wide circular number 09/2024 dated 17 September 2024 has set the monetary limit of tax effect for filing the appeal by the revenue at Rs.60 lakhs. In the given case it is an undisputed fact that the tax effect is nil and therefore we are of the considered view that the appeal filed by the revenue need to be dismissed on the ground of the tax effect are being below the monetary limit as fixed by

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the CBDT wide the above circular. Accordingly we dismiss the appeal filed by the revenue on the ground of monetary limits.

4. In result the appeal of the revenue is dismissed

Order pronounced on 17th day of February, 2026 at Chennai.

Sd/-
(एबी टी. वर्की)
(ABY. T. Varkey)

न्यायिक सदस्य / Judicial Member

Sd/-
(पदमावती यस)
(Padmavathy.S)

लेखा सदस्य /Accountant Member

चेन्नई/Chennai, दिनांक/Dated: 17th February, 2026.

EDN, Sr. P.S

आदेश की प्रतिलिपि अग्रेषित/Copy to:

1. अपीलार्थी/Appellant
2. प्रत्यर्थी/Respondent
3. आयकर आयुक्त/CIT, Chennai/Madurai/Coimbatore/Salem
4. विभागीय प्रतिनिधि/DR
5. गार्ड फाईल/GF