IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16.11.2016

CORAM

THE HON'BLE MR.JUSTICE **NOOTY.RAMAMOHANA RAO**
AND
THE HON'BLE DR.JUSTICE **ANITA SUMANTH**

Tax Case (Appeal) No.1246 of 2007

The Commissioner of Income Tax,
Chennai. ... Appellant

Vs.

Shri P.Jawarilal Jain
87/4, Harrington Road,
Chetpet, Chennai-600 031. ... Respondent

Tax Case Appeal filed under Sec. 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Madras 'B' Bench, Chennai, dated 16.03.2007 in ITA No.1496/Mds/2004.

For Appellant : Mr.T.Ravikumar,
Senior Standing Counsel
For Respondent : Not Ready in Notice.

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JUDGMENT

(JUDGMENT OF THE COURT WAS DELIVERED
BY **NOOTY.RAMAMOHANA RAO, J.)**

The Tax Case Appeal has been admitted on 26.09.2007 for consideration of the following two substantial questions of law:

(i) Whether in the facts and circumstances of the case, the Tribunal was right in holding not only the face value of the value declared under VDIS is to be as the undisclosed income of the assessee for this assessment year 1998-99?

and
Dr.ANITA SUMANTH,J

gr.

(ii) Whether in the facts and circumstances of the case, the Tribunal was right in holding that where the assessment was re-opened using materials furnished during the VDIS (which failed due to non payment of tax), all facts stated therein have to be taken as true, and the assessee need not furnish any further proof?

2. Though substantial questions of law do arise for consideration, however, the value involved in the appeal is far-too insignificant particularly viewed in the backdrop of the circular instructions passed on through Circular No.21/2015, dated 10.12.2015 by the Department.

3. It is now decided that an appeal shall not be filed in case where tax effect does not exceed Rs.20 lakhs. In the instant case, tax effect is less than the limit of Rs.20 lakhs prescribed in the said circular and hence, this appeal is not pressed rightly by the learned Standing counsel Mr.T.Ravikumar. Accordingly, the Tax Case Appal stands dismissed as not pressed, preserving the substantial questions of law for determination in an appropriate case. No cost.

(N.R.R.J.) **(A.S.M.,J.)**

16.11.2016

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T.C.A.NO.1246 OF 2007