IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED:04.12.2018

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE DR.JUSTICE ANITA SUMANTH

Tax Case Appeal No.1346 of 2007

The Commissioner of Income Tax
Tamil Nadu - VII, Madras.
.... Appellant

Vs.

M/s.M.P.Narayanan
105, Harris Road, Chennai - 600 002.
.... Respondent

Tax Case Appeal filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal, Madras 'B' Bench, Chennai, dated 02.03.2007 made in ITA No.2160/Mds/2004 for the Assessment Year 1996-97.

For Appellant : Mr.Karthik Ranganathan
Standing Counsel

For Respondent : Mr.R.Vijayaraghavan
for M/s.Subbaraya Aiyar Padmanabhan

J U D G M E N T
(Delivered by DR.VINEET KOTHARI,J)

This Tax Case Appeal has been filed by the Revenue calling in question the correctness of the order passed by the Income Tax Appellate Tribunal, Madras 'B' Bench, Chennai, dated 02.03.2007 made in ITA

No.2160/Mds/2004 for the Assessment Year 1996-97 by raising the following substantial question of law:

> *"Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in law in set aside the orders of the lower authorities regarding the levy of penalty under section 271(1)(c) of the Income Tax Act, 1961?"*

2. When the matter is taken up for admission, the learned Standing Counsel brought to our notice the Circular instruction issued by the Central Board of Direct Taxes vide Circular No.3/2018 dated 11.7.2018 wherein it is stipulated that appeals shall not be filed/pursued by the Department before the High Court in cases where the tax effect does not exceed Rs.50 lakhs.

3. In the instant case, the tax effect is said to be less than the monetary limit imposed and therefore, the appeal filed by the Revenue is dismissed as not pressed, keeping open the substantial question of law for determination in an appropriate case.

(V.K.,J.) (A.S.M.,J.)
04.12.2018

Index : Yes/No
Internet : Yes/No
speaking order/ non-speaking order

sl

To

The Income Tax Appellate Tribunal, Madras 'B' Bench, Chennai

DR.VINEET KOTHARI, J.
and
DR.ANITA SUMANTH, J.

TCA No.1346 of 2007

04.12.2018.