IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 27.11.2018

CORAM :

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
and
THE HONOURABLE MR.JUSTICE N.SATHISH KUMAR

Tax Case Appeal Nos.135 & 136 of 2011

The Commissioner of Income Tax,
Salem

...Appellant in both the appeals

-vs-

M/s.Sheela Christian Charitable Trust,
12-3/34, South Car Street,
Taramangalam (P O),
Omalur Taluq, Salem District.

...Respondent in both the appeals

COMMON PRAYER:Tax Case Appeals filed under Section 260A of the Income Tax Act, 1961 (for brevity 'the Act') against the common order of the Income Tax Appellate Tribunal Chennai 'A' Bench, dated 30.08.2010 in ITA No.945 & 946/Mds/2010, for the Assessment year 2006-07 & 2007-08 respectively, preferred

against the order dated 29/03/2010 passed by the Commissioner of Income Tax (Appeals) No.3 Gandhi Road, Salem in ITA No.77/08-09 and 39/09-10, PAN/GIR No.AAFTS3549F, against the Assessment order dated 17.06.2009 made in GIR.No.22AS0032/W-II (2)/2007-08/SLM passed by the Income Tax Officer Ward II(2), Salem

against the Assessment Order dated 31.12.2008 made in GIR No./PAN 22AS0032/AAFTS3549F passed by the Income Tax Officer, Ward II(2), Salem.

For Appellant : Mr.Karthik Ranganathan
(in both the appeals)

For Respondent : Mr.S.Sridhar & Mr.A.S.Sriraman
(in both the appeals)

COMMON JUDGMENT

[Judgement of the Court was delivered by T.S.Sivagnanam, J.]

These Tax Case Appeals by the Revenue are filed under Section 260A of the Income Tax Act, 1961 against the common order of the Income Tax Appellate Tribunal Chennai 'A' Bench, dated 30.08.2010 in ITA No.945 & 946/Mds/2010, for the Assessment year 2006-07 & 2007-08 respectively.

2.Heard Mr.Kaushik Ranganathan, learned Senior Counsel for the appellant/Revenue and Mr.S.Sridhar & Mr.A.S.Sriraman, the learned counsel for the respondent.

3.These Appeals have been admitted on 28.03.2011, on the following Substantial Question of Law:

> "Whether on the facts and in the circumstances of the case, the Appellate Tribunal was right in confirming the order of the Commissioner of Income Tax (Appeals) cancelling the assessment made on the assessee's Trust for the assessment year 2006-07 in the status of an Association of person and deleting the additions?"

4.We have perused the order of Assessment as well as the Order passed by the Commissioner of Income Tax and we find that the tax effect in these appeals are lesser than the threshold limit mentioned in Circular No.3 of 2018, dated 11.07.2018, issued by the Central Board of Direct Taxes, which fixes the monetary limit as Rs.50,00,000/- for the Department to pursue the matter. Furthermore, the Revenue has not been able to point out any distinguishing features, by which the Circular No.3 of 2018, dated 11.07.2018, cannot be applied.

5.Thus, for the above reasons, the Revenue cannot pursue these Appeals in view of the low tax effect. Hence, the Appeals are dismissed and the Substantial Question of Law, framed for consideration, is left open. No costs. The Revenue is at liberty to seek for restoration of appeal, if at a later point of time, it is found that the tax effect is above the threshold limit.

Sd/-
Assistant Registrar(CS V)

//True Copy//

Sub Assistant Registrar

To

1.The Income Tax Appellate Tribunal Chennai 'A' Bench,
  Chennai.

2.The Commissioner of Income Tax (Appeals),
  No.3, Gandhi Road, Salem-636001.

3.The Income Tax Officer,
  Ward-II (2),
  Salem.

+1cc to M/S.S.Sridhar, Advocate Sr.81233

T.C.A.Nos.135 & 136 of 2011

kan[co]
srg 10/01/2019