IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 04.09.2018

CORAM :

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
and
THE HONOURABLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

Tax Case Appeal No. 1187 of 2008

Commissioner of Income Tax
Salem ... Appellant

-vs-

M/s. Kaveri's Bio Proteins Pvt. Ltd.,
No.2, Dr.Sankaran Road,
Namakkal 637 002 ... Respondent

Tax Case Appeal has filed under Section 260A of the Income Tax Act, 1961 against the order of the Income Tax Appellate Tribunal Chennai 'D' bench dated 30.12.2005 in ITA No.1369/Mds/1997

For Appellant : Mrs.K.G.Usharani

For Respondent : Mr.A.S.Sivaraman

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J U D G M E N T

[Delivered by T.S.Sivagnanam, J.]
Heard the learned counsel for the appellant and learned counsel for the respondent .
2. This appeal, by the Revenue, is directed against the order of the Income-tax Appellate Tribunal in ITA No.1369/Mds/1997 dated 30.12.2005 for the assessment year 1994-1995.

3.This appeal has been admitted on the following substantial question of law:-
 Whether on the facts and circumstances of the case, the Tribunal was right in holding that the addition made on account of unexplained cash credits by invoking the provisions of section 68 of the Income Tax Act, 1961, cannot be sustained?

4. Before we proceed to consider the substantial question of law raised in this appeal, we have to first take note of the fact that the tax effect in the present appeal relevant for the assessment year 2011-12 is less than the threshold limit. In the case of Commissioner of Income Tax vs. N.Meenakshisundaram [Tax Case (Appeal) Nos.868 and 869 of 2008; Dated 23.04.2018], this Court had an occasion to consider various circulars issued by the Central Board of Direct Taxes (CBDT) as regards the threshold limits fixed for filing the appeal by the Revenue or pursue the appeal, which is pending from 2008 onwards.

5. Further, it is relevant to note that by Circular No.3/2018, dated 11.07.2018, monetary limit has

further been increased and appeals be maintainable before the High Courts. It has been increased to Rs.50,00,000/-. Hence, viewed from any angle, the Revenue cannot pursue this appeal.

6. Thus, by applying the above Circular issued by the CBDT, the Revenue cannot pursue this appeal and hence, for that reason, this tax case appeal is dismissed and the substantial questions of law, framed for consideration, are left open. No costs.

[T.S.S., J.] [V.B.S., J.]

04.09.2018

jen/sra

To

Commissioner of Income Tax
Salem

T.S.Sivagnanam, J.
and
V.Bhavani Subbaroyan, J.

jen/sra

T.C.A.No.1187 of 2008

04.09.2018