

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25.03.2019

CORAM

THE HON'BLE DR.JUSTICE VINEET KOTHARI
AND
THE HON'BLE MR.JUSTICE C.V.KARTHIKEYAN

Tax Case Appeal No.1084 of 2008

Commissioner of Income Tax,
Chennai.

Appellant

Vs.

M/s.MGM Earth Equipment Agencies Pvt Ltd.
1, 9th Street, Radhakrishnan Salai,
Mylapore,
Chennai 600 004.

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 31.10.2007 made in ITA No.951/Mds/2005

For Appellant : Mr.Prabhu Mukund Arunkumar
Assisted by Mr.S.Rajesh

For Respondent : Mr.A.S.Sriraman
for Mr.S.Sridhar

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JUDGMENT

(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 31.10.2007, by raising the following substantial question of law:

"Whether in the facts and circumstances of the case, the Tribunal was right in cancelling the penalty levied under Section 271 (1) (c) after having held that the claims were bogus in the quantum appeal?"

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 questions of law for determination in an appropriate case.

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(V.K.,J.) (C.V.K.,J.)
25.03.2019

Index : Yes/No
Internet : Yes/No
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To

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



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DR.VINEET KOTHARI, J.
and
MR.C.V.KARTHIKEYAN, J.



TCA No.1084 of 2008

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